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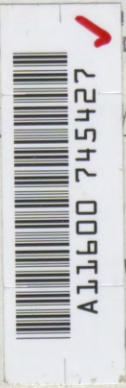
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THE CENSUS REFORM ACT

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HEARINGS

BEFORE THE

ST. JOHNS UNIVERSITY COMMITTEE ON CENSUS AND POPULATION

OF THE

COMMITTEE ON

OFFICE AND CIVIL SERVICE

USE OF REPRESENTATIVES,

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

H.R. 8871

A BILL TO AMEND TITLE 13 OF THE UNITED STATES CODE
TO ESTABLISH A DECENNIAL CENSUS PROCEDURE, AND
FOR OTHER PURPOSES

SEPTEMBER 12 AND 23, 1977

Serial No. 95-46

Printed for the use of the
Committee on Post Office and Civil Service



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1977

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THE CENSUS REFORM ACT

MONDAY, SEPTEMBER 12, 1977

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
SUBCOMMITTEE ON CENSUS AND POPULATION,
Washington, D.C.

The subcommittee met at 9:30 a.m., in room 311, Cannon House Office Building, Hon. William Lehman (chairman) presiding.

OPENING STATEMENT OF HON. WILLIAM LEHMAN, CHAIRMAN OF THE SUBCOMMITTEE

Mr. LEHMAN. On behalf of the Committee on Post Office and Civil Service, Subcommittee on Census and Population, I would like to have some brief opening remarks, and then we will hear from the mayor of New Orleans, Hon. Moon Landrieu, on behalf of the National League of Cities, U.S. Conference of Mayors.

We are meeting today to discuss H.R. 8871, the Census Reform Act. Congresswoman Schroeder and I introduced this legislation on August 5 to focus attention on the procedures that the Census Bureau is planning to use to carry out the 1980 census.

This is a very serious issue and Congress has realized the potential ramifications and consequences of a poorly conceived decennial census program in 1980.

Today, I am glad to report that 50 of my colleagues have expressed their deep concern by joining me as cosponsors of this legislation.

Preliminary results from the pretests in Camend, Travis, and Oakland indicate very poor return rates on the mailed questionnaire in addition to a high error rate on those questionnaires returned, especially on the ethnicity and income questions.

These results could mean a very costly census in 1980—in fact, the most conservative estimates indicate the first billion-dollar census in our history.

In 1970 the undercount rate for blacks actually increased to 9.9 percent from 9.7 percent in 1960. The significance of these numbers is magnified when we realize that a 1975 CRS study showed that over 100 Federal programs allocating \$56 billion, use population as an element in their formulas.

Which reminds me, when I was studying civics, one of our professors related that Judge Marshall once said in laying down a decision, that the power to tax is the power to destroy, and prohibited the Federal Government from taxing the instrumentality of the State. I think we can carry that a little bit forward. I think the power to count is now the power to destroy.

And if a branch of the Federal Government does not properly count, they can destroy the instrumentality of the State.

This subcommittee has held hearings since 1970 on the problems associated with 1970 census and the Census Bureau's alternatives to eliminate or reduce these difficulties in 1980.

These hearings have been extremely informative and have greatly contributed to the development of the Census Reform Act.

Basically, the bill addresses two major points. The first is a two-stage census, and the second is the creation of a Division of Evaluation. By the way, there are other countries that use two-stage censuses, one of which is Israel, and it has operated very effectively with this kind of a census arrangement.

As I have previously mentioned, the response rates during the pretests have been low.

The two-stage census deals directly with this problem through the introduction of a simplified form during the 100-percent enumeration process. We have omitted the income question and have combined the confusing and often misleading race and ethnic origin questions into one question on heritage.

The comments of the Census Advisory Committee on the Spanish Origin Population for the 1980 census, on this latter proposal, helped us to incorporate this idea into the bill.

We realize the needs of our planners and the Congress for good, reliable data on the social and economic characteristics of our population. The sample survey incorporated in the bill will accomplish this by providing 20 percent nationwide sample be distributed to minimize sampling and measurement error.

We have also realized that many different regions and localities in our country may have special need for information that is not needed nationwide. Therefore, we have provided for supplemental surveys that can be requested by a State, provided that the State passes a law to initiate such a survey and agrees to pay half the cost with the Federal Government.

The second proposal of the bill is the creation of the Division of Evaluation. Although this may seem like a major new development, we have heard testimony from the Director of the Bureau of the Census that indicates that the evaluation procedures are already being done by a separate group of individuals within the Bureau. The Division of Evaluation would act as a neutral third party in evaluating all censuses and surveys performed by the Bureau of the Census.

The Division will also act as arbitrator of disagreements between State and local governments and the Census Bureau.

During the 7 years of testimony before this subcommittee, many Members of Congress and local officials have stated the need for an independent body to settle disputes.

We also believe that during these disputes the local officials should be allowed to review the records of the Census Bureau, but only under the guidelines provided by the Secretary of Commerce and subject to a heavy fine and jail term for violating the confidentiality provisions of title 13.

Under these structured conditions, I believe that local parties should review those Census Bureau records that are in dispute. I think they can do that without violating the confidentiality.

And if a branch of the Federal Government does not properly for pretest cities.”

As other Members of Congress have mentioned during our hearings, a test is a test and the results of the procedures that are admittedly experimental should not have a negative impact on Federal funding. Instead, we should congratulate that city or area for their cooperation in testing new ideas that hopefully can benefit the data collection process for the entire Nation.

In this legislation, we have tried to incorporate suggestions from all of the witnesses that have testified before our subcommittee over the course of several Congresses. The provision to increase the use of media during the decennial census was encouraged by testimony from Dr. George Brown during the 1970 hearings, the Director of the Bureau of the Census at that time, and also the testimony of the current Director.

We have the opportunity now to evaluate the warning signs, and we have had plenty of them, that the pretest results have provided us.

We hope that we can now formulate procedures that will provide our Nation with the best data at a reasonable cost, both to the Nation's budget and the people who must participate in this process.

Before we begin, I would like to say one additional word about the spirit in which we are going to proceed. We are in favor of more accurate data and an improved census. We are opposed to the politization of the Bureau and we believe that the bill we report out will be full of protections against political influence on the decisions of the Bureau of the Census. We are opposed to opening up confidential census records, to a large number of people.

Contrary to what has appeared in the press, our bill would restrict rather than expand the Bureau's discretion in opening its files to the people it likes. A 5-year jail term and \$5,000 fine would also apply for misuses or release of such data by the people who get to see the records. We do not believe that privacy would in any way be breached.

On the two-stage census, we see this method as a cost-cutting and time-saving move. It would not mean that there would be a long delay in conducting the census. In 1960 the census was over by July, compared to 1970 when it was completed in September.

We believe that people would be more likely to allow themselves to be counted if fewer questions were asked.

We intend to move soon on this legislation, but certainly the form of our bill is not set in concrete. We stand ready to work together, as I have said many times before. We hope that the Bureau of the Census will address the specific of the bill, and not dwell on generalities.

I know we both want a less costly and more accurate 1980 census, and that the end result will be legislation that will improve the census for 1980.

I only want to add my own feeling that I didn't come in as chairman of this committee to speak for any forum. I came in here with an open mind. And whatever motivation I have to try to change this has been basically—and to reform the census, has been basically initiated by—has been apparent in the hearing what I have been able to observe at first hand from the Camden and Oakland census.

As chairman of this subcommittee, it is an obligation and a duty that if I see something, am aware of something that I think, in a pretest

census, that if superimposed on the 1980 disaster, then I feel it imperative that the chairman of this committee should fulfill his obligation and make it do all it possibly can to prevent the kind of possible census lapse, or whatever you want to call it, or the lack of a—possible lack of credibility and a lack of validity that the people are making, and some people are beginning to assume has happened in these pretest census.

I guess to sum it up, I don't want to see the Federal census come back to us as the information is coming back to us on the protest census. I would like to see this reform bill work together with the Bureau to prevent this from happening.

I would like at this time to call on Mr. Leach on the minority side for comments that you would like to make in the form of introductory remarks to go along with mine.

OPENING STATEMENT OF HON. JIM LEACH

Mr. LEACH. Thank you Mr. Chairman.

There appears to be reason to be concerned with the upcoming 1980 census. It is a massive undertaking of critical importance to virtually every region of the country.

A great deal of preparation has already gone into it as testimony before this subcommittee earlier this summer indicated. And I feel that any decision to make wholesale changes in the procedures for the census should insure that a number of important issues are adequately resolved.

There is a need to protect the Bureau of the Census against politicization. The potential for polluting a highly technical, objective statistical procedure with political bias is real and the implications for congressional reapportionment and a host of Federal assistance programs could be dramatic.

Any effort through current procedures or through new legislation to permit political partisanship to bias calculations raises the gravest concerns.

Whatever procedures are ultimately adopted, either those currently in place or those proposed in the legislation under consideration today, the 1980 census will require vigorous, nonpartisan leadership of the Bureau. And I might just add that my initial impression, Mr. Plotkin, is that you represent that kind of an impartial government ethic. I am hopeful that you, at the Bureau, will be strong enough to resist any political pressures you may encounter from either the Congress or the Executive.

I might add also the leadership of Mr. Lehman in the subcommittee is that of the highest nonpartisan tradition, and the minority intends to work as objectively as possible with him on this legislation.

In any respect, a number of features of this bill before us merit a comment or two before I close.

It is of concern to me that any appearance of encouraging *carte blanche* right-of-appeal of census data, may result in excessive attempts to increase estimates and raises the danger that he who shouts the loudest, or he that carries the greatest political clout, may exercise undue influence.

It is important too, that any legislatively mandated changes in census taking methodology be carefully drafted so that final statistics and

data are accurate and consistent and technical objectivity is not compromised for the sake of "convenience" or political advantage.

It is important also, that any organizational changes within the Bureau be justified in terms of purpose, suitability, cost and related factors. The proposed relationship between a new Division of Evaluation at the Bureau and Congress itself, raises some questions in my own mind, which I trust will be given proper attention in the course of our hearings.

Confidentiality of census records is provided for under current law, and any new legislation is another issue of obvious public interest and concern.

Any compromise of confidentiality for political or economic purpose is case enough to dismiss consideration of any proposed new approach which doesn't address this issue in the most serious way.

In closing, the objectives of this bill are honorable. A great deal of careful thought and study have been invested in drafting the legislation and it deserves open and honest dialog and discussion. In the same sense that political partisanship does not belong in the Bureau, I am confident that the work of the subcommittee will reflect that same kind of objectivity.

Thank you.

Mr. LEHMAN. Thank you, Mr. Leach.

We will continue to work together to get as accurate a census as we can. I think we are both concerned not only with undercounts, but overcounts.

Mr. LEACH. Yes.

Mr. LEHMAN. The witness is the Honorable Mayor Landrieu of New Orleans.

STATEMENT OF HON. MOON LANDRIEU, MAYOR, NEW ORLEANS, LA., ACCOMPANIED BY DOROTHY BRODIE, DEPUTY EXECUTIVE DIRECTOR, U.S. CONFERENCE OF MAYORS, AND LEO PENNE, LEGISLATIVE COUNSEL, NATIONAL LEAGUE OF CITIES

Mayor LANDRIEU. Thank you, Mr. Chairman.

My name is Moon Landrieu, I am mayor of the city of New Orleans. This morning I appear here on behalf of the National League of Cities and the U.S. Conference of Mayors, and state what I believe to be their joint position with respect to this particular piece of legislation.

I am joined, here at the table, Mr. Chairman, by Mr. Leo Penne of the National League of Cities and Miss Dorothy Brodie of the U.S. Conference of Mayors.

We wish to thank you, and Congressman Schroeder for bringing this legislation to the Congress. And for focusing attention on what we consider to be one of the major concerns of local public officials today.

We are in a period of changing times and those changing times require some new evaluation of processes as well as programs.

For many, many years those of us at the local level look upon the census as one of our principal tools through which we try to plan for the development of our cities. It was an indispensable tool and still remains one so far as our planning process is concerned. We also look upon the Census Bureau as a true friend, I suppose, because we, for

the most part, agree with their findings as cities proceeded to develop into urban populations. And I can say with some certainty that we look with great admiration on the way in which they are proceeding to accomplish a very difficult and very complex task. We are convinced that the bureau is better equipped today, and more technically capable of counting more accurately than they have ever done in the past.

There are some problems, however, that arise because of the demographic changes that have taken place. We too are simply looking for an accurate count. We do not want to fool ourselves, it serves no purpose for us to be using census data for planning purposes and for allocation purposes only to have that data be inconsistent with the facts. Ultimately, the price would have to be paid for those errors.

Now, the problems with which we are confronted, however, are the facts there are large numbers of minorities and of aliens that have found their way into the cities whom we are trying to accommodate, and with whom we are working and yet are not counted in our population basis. I have not seen any one factor of greater interest to mayors generally, and consul persons across this country, than has been the undercount of minority population and basically the non-counting of aliens that appeared in the 1970 census. Not only from the standpoint of planning, as it had an impact on us, but now because of the number of Federal and State programs that are linked to the census by distribution formula, it begins to impact very dramatically the budgets of all of the cities across the United States. And I sense that there will be a growing reliance, as we move into block plans and different methods of distributing Federal funds, there will be a greater reliance on the census data than there has ever been.

Not only has it affected the distribution of Federal funds and the planning process at the Federal level, but many of the States also in their distribution formulas rely on census data, and consequently the cities are being penalized twice. Once under the Federal census for Federal—for distribution of Federal funds, and then again because of those errors by the State in the distribution of State funds.

We believe that the legislation provides a number of meaningful changes in the process.

First of all, there should be a local input at a very early stage in the census taking. The natures of cities, Mr. Chairman, have changed and we believe that each city has built a certain capacity and can be of assistance to the bureau in determining the process. I am not talking about the national process for determining the process in some peculiar quirks which may assist them in arriving at the direct count insofar as those other communities are concerned.

We would hope that, as the 1980 census is made, that there would be a very quick and early determination of those census figures. We likewise feel that there has to be some process by which an appeal can be made. This is 1977, we are still in the appeal process in the 1970 census in dealing with all of our formal distributions. Without some kind of ready appeal basis we will simply settle for 6, 7, 8 years as we have under what we feel are inaccurate figures.

I want to add that not every appeal may be justified, but even if a percentage of those appeals are justified there should nonetheless be a process through which these appeals can be had.

The system, up until this point, has been to complain to the agency that has the distribution obligation only to be referred to the Census Bureau and then through a rather indefinite and very lengthy, and sometimes inconclusive, process with respect to those appeals.

There must also be some method by which the Bureau can make a quick estimate of error. We fully understand that the process is very complex, it may not be possible within the realm of cost effectiveness to reduce the errors to zero. No one would expect, I believe, that a job that is so complex would not in some way find itself into error. But nonetheless, there ought to be a process by which the error can be evaluated and then adjusted rather quickly. We are told that the bureau acknowledges a substantial undercount of minorities, particularly blacks in major cities across this country. And yet we are also told that it is rather impossible to take that national undercount and break it down and allocate it according to each community. I really don't believe that we can accept that. It may be that in the process that was used in 1970 that that is true. I do not know the answer to that, but it seems to me to say we have to accept this as an ongoing problem, never to be resolved, is asking a little bit much of those of us who are operating, or trying to operate, the major cities of this country.

Mr. Chairman, I have tried to touch generally on most of what is contained in the official testimony that we have presented to this committee and with the Chair's permission I would like to submit for the record a formal statement and to answer any questions you may have.

Mr. LEHMAN. Without objection the statement will be included fully in the record.

[The complete statement follows:]

STATEMENT BY THE NATIONAL LEAGUE OF CITIES AND THE UNITED STATES
CONFERENCE OF MAYORS

The National League of Cities and the United States Conference of Mayors together represent virtually all of the cities of the nation which, in turn, contain more than 70 percent of the country's population. Cities are people and knowing their numbers and characteristics is important. We, therefore, are pleased to have the opportunity to comment on the Census Reform Act (H.R. 8871) and commend Congressman Lehman and Congresswoman Schroeder for proposing this legislation which makes visible an issue which is ordinarily ignored but has tremendous public importance.

The National League of Cities and the United States Conference of Mayors speak for the policy-making officials of the nation's cities. The following comments grow out of the responsibilities of these officials and should be given their proper weight along with those opinions which flow from expertise on the techniques and organization of the census. The significance of this piece of legislation, from our point of view, is that it does address some of the most important concerns of local elected officials and provides an opportunity to deal with these concerns in the legislative process.

In the past, local elected officials had a rather simple interest in the census. More people meant a healthy and prosperous city. In recent years, census data has attracted a deeper and more sophisticated concern. For many cities, it provides a base of information for planning and policy-making. The best source of data for these purposes has been and continues to be the Census Bureau. No other agency provides the bulk and variety of data so vital to local government program administration. With use, of course, more pressure is put upon the timeliness, accuracy and suitability of data.

In addition to the traditional uses for Census data, federal programs are increasingly using population and income criteria as the bases for formula grants and program eligibility. Programs such as General Revenue Sharing, the Community Development Block Grant, Anti-Recession Fiscal Assistance and

the Comprehensive Employment and Training Act rely heavily on Census data for determinations of eligibility and entitlements. Billions of dollars, thus, depend on the quality and accuracy of the counts. And, as a result, even greater pressure is being put on the performance of the Census Bureau.

Both organizations have a long-standing interest in this issue. At its June annual meeting, the United States Conference of Mayors passed a Policy Resolution dealing with the serious concerns which local government officials have regarding current census methodologies used in estimating population counts, as well as concerns about the impact of inaccurate counts on local government. (A copy of this Resolution is attached.)

The most heated Census-related controversy of recent years, the undercount of the black population, demonstrates another sort of pressure now placed on the Census generated from deep political, social and symbolic concerns. More recently, the difficulty of counting illegal aliens has gained importance. People not counted by the Census do not exist for many important practical purposes. Unfortunately, those who are missed by the Census enumerators are, in other respects, invisible and ignored and weigh the least on the political balance. Others should not be surprised if blacks and other minorities are angered to discover that they do not even count equally. And it is in cities that the bulk of the under-counted population resides.

It is clear that the Census Bureau today must carry a much heavier burden than it has in the past. Suggestions for change are offered to take into account the variety of uses and increased importance of Census statistics. The National League of Cities and the United States Conference of Mayors do not question the integrity or technical competence of the Census Bureau, but there are legitimate questions to be raised about whether or not its organization and process are well-suited to its increased burden.

Many city officials have felt that the Bureau has not been as responsive as would be desirable. In some cases, of course, this feeling may stem from an unsuccessful challenge of a population count, but not in all. Regardless of the extent to which this feeling is justified, cities believe that local input into the Bureau policies and procedures is critical. In fact, many local government problems with Census stem from misunderstandings about these policies and procedures. For that reason, cities strongly support current efforts of the Bureau to involve local officials directly.

The attractiveness of the Census Reform Act is that it would write into law procedures for handling some of the problems of greatest importance to cities and thus usefully highlights these problems and offers a point of departure for determining the most effective means of addressing them. At each critical point in the conduct of a census, city governments have concerns, as described below.

In the earliest stages the ability of local officials to impact the pre-census planning is crucial. Not only do early discussions with local officials assist the Bureau in increasing its accuracy, but they also help to eliminate much of the misunderstanding about the Bureau's policies and procedures. City governments can, on occasion, improve the Census Bureau's enumeration lists and should be given that opportunity. This pre-census consultation must, at a minimum, include those elements currently proposed by the Bureau under their local review program and, as would be required by this legislation, the effort should take place at the beginning of the decennial census period.

It is also imperative that the enumeration be completed as quickly as possible and that tract and block statistics be made available to local officials quickly. The legislation proposes to speed up the enumeration process and produce a more accurate count by separating the simple enumeration from surveys of other population characteristics. Whether this would be effective or would rather produce delays, miscounts and a reduction in essential data, is a matter which requires some consideration.

Following the final tabulations, estimates of error should be made as quickly as possible. If feasible, these estimates should be allocated among states and local jurisdictions and, where appropriate, adjustments should be made in federal program payments. This represents an ideal statement of goals and one which the legislation proposes to bring about.

After counts have been conducted, whether in the decennial census or mid-term estimates, there should be, as the legislation proposes, streamlined and regularized process through which local governments can challenge the results. In addition, and this is a delicate matter, there should be a capacity for independent evaluations of the work of the Census Bureau. The growing importance

of the Bureau's product makes it more essential that it be guided by professional and technical standards; at the same time, however, the importance of its performance to others makes it difficult to argue that the Bureau should be the sole and ultimate judge of its findings. The Census Reform Act would institute a semi-independent Division of Evaluation to meet this problem. With respect to this provision and several others not discussed here, it is clear that the intent is worthy; it is not as clear that it could be implemented without undue cost and delay or at the sacrifice of the flexibility and professional independence necessary to conduct censuses most effectively.

While many of the issues dealt with by this bill are best resolved by technical judgments, there can be no doubt of the importance of involving city governments at each important point in the conduct of the census. If this is not done, the counts will suffer and the product will be of less use to everyone. Everything possible must be done to guarantee that all Americans are counted equally. Early involvement with local communities and their officials can improve enumerations. A challenge procedure for local governments which allows for the quick and dependable adjustment of errors can reduce the costs of mistakes.

City officials support efforts to achieve these goals and, again, commend Representatives Lehman and Schroeder for their bringing the issues into serious legislative discussion.

[Adopted, 45th Annual Meeting, June 15, 1977—Tucson]

U.S. CONFERENCE OF MAYORS

RESOLUTION

Whereas, the Bureau of Census of the Department of Commerce released in April, 1977, its 1975 estimated population figures for American cities; and

Whereas, these figures are to be utilized particularly by the Office of Revenue Sharing of the Department of Treasury in calculating the General Revenue Sharing and Countercyclical Fiscal Assistance payments for the entitlement period beginning July 1, 1977; and

Whereas, those cities demonstrating population losses will receive lower dollar payments by virtue of such estimates; and

Whereas, the Bureau of Census relies primarily upon Internal Revenue Service Income Tax return data for its population estimates, an inadequate measurement when dealing with that portion of any city's population which does not file tax returns, either because of inadequate earnings or local unemployment; and

Whereas, other population measurement techniques such as vacancy rate trends, net units of housing constructed, out-migration data, and others are capable of providing more accurate population estimates of those elements of a city's population which do not file income tax returns; and

Whereas, many cities of all sizes have filed protests with the Office of Revenue Sharing and the Bureau of Census because of the contradiction between Census 1975 population estimates and their own estimates based upon what they consider to be more accurate and complete data. Now, therefore, be it

Resolved, That the U.S. Conference of Mayors calls upon the Bureau of Census to utilize valid measurement methods in addition to IRS Income Tax Return data in arriving at its population estimates; and be it further

Resolved, That in its consideration of these supplementary measurement techniques, the Bureau of Census meet with the U.S. Conference of Mayors which is prepared to describe population estimate methodologies which Mayors rely upon in their own communities; and be it further

Resolved, That the U.S. Conference of Mayors calls upon the Bureau of the Census and the Congress to require the inclusion of illegal aliens in any and all population counts; and be it further

Resolved, That where the Bureau of the Census admits an undercount of an ascertainable group of the population, and where a protesting city's population estimate would be increased if applied locally to that city, such city shall be allowed to have its estimated population increased to this extent.

Mr. LEHMAN. I know you have some appointments downtown, so we will not detain you very long.

Mr. Leach, do you have any questions at this time?

Mr. LEACH. No, sir.

Mr. LEHMAN. The only remark that I would like to say is in reference to your statement, one is that the bill does contain a fully independent process for appeal which has not been done before and I think that, as you do, it is a necessary addition to the census legislation that will permit this. And I am glad that you were able to indicate this need.

The other statement you made at the beginning of your statement, I think, shows an awareness when you say that times are changing, and I think that is something that concerns me because it seems that times are different, and people in your cities are different than they were 10, 20 years ago. And the same methodology that we could fairly well count in the city people, or the new kinds of people who are living in our cities now seem to raise some doubts in your mind whether those systems and methodologies are going to be applicable today to get the count. And I just wondered whether you are familiar with the kind of forms that they are using and the kind of enumerating processes they are using and whether you have any idea whether those kinds of forms and processes will induce the active response of the people that live in your State.

Mr. LANDRIEU. Well, Mr. Chairman, I wish I could answer that question with some assurance. I cannot, because I am not a mathematician and I am not thoroughly familiar with the complicated process.

I do know that in the State of Louisiana, for our purposes, the State has contracted with Louisiana Tech that does a constant updating of the census. The methodology which they used—now this is not a process by which the State of Louisiana would get more money out of the Federal Government—this is for distribution of State funds among the various local governments of the State. So that you know there has to be a substantial amount of competition because you are dealing with the same dollars distributed in various ways depending upon on where the population falls.

But they have used a methodology in the State of Louisiana that, for instance, gave the city of New Orleans, I think, at the last count 627,000 after the 1970 census. And the Federal count was down to 593.

Those figures have continued to separate. That is a substantial difference in the population count that is in excess of 30,000 people alone that are not counted for, that there are two agencies, both very independent, both trying to use the best techniques. I think that difference has grown substantially in the updates because Louisiana Tech has us about at the last judgment, I think about 615,000 to 617,000, and the Federal census we were down to 570. So I am not suggesting that Louisiana Tech is right and the Federal Census Bureau is wrong or vice versa. I am simply saying that there is a problem that is obvious from the fact that these two agencies are coming out with different counts.

I believe the Federal Government has the greatest capacity to arrive at the most accurate figures. And I believe the bill along the lines that you have designed here would help us to insure that accuracy that I know they are capable of.

Mr. LEHMAN. Mr. Mayor, if I can interrupt, what you are saying, is it that you have great confidence in the Bureau of the Census but that doesn't preclude some kind of an independent evaluation or independent process that you can determine whether any Bureau census or

any other figures are necessarily those that you want to base your whole fiscal process on.

Mr. LANDRIEU. Mr. Chairman, that is precisely what I am saying.

I believe the Census Bureau was shocked at the number of complaints it received after the last census. They were besieged by complaints. Now part of those complaints, I am satisfied, stem from a hurt pride that some areas lost population and in fact had lost. But much of it stemmed, too, from the fact that the figures were wrong and ultimately acknowledged to be wrong by the Census Bureau, at least on a national basis, and yet there was no corrective process. I believe that the Bureau became slightly defensive as if we had been doing this fine job all these years, and we are doing better than we ever have done it and yet we are receiving now this volume of complaints.

Well, I think the Bureau is a little too sensitive to those complaints in one sense, and not sensitive enough in another.

My feeling was they became rather defensive about it and almost closeminded, when at the time that there had been a process by which they could have made legitimate estimates, corrected what were otherwise acknowledged errors, that they would have satisfied the requirement under the law in coming out with a better, more accurate account, and No. 2, would have laid to rest the various complaints with which they were being besieged around the country. I do think that it is a healthy thing to have some independent evaluation of the process. Now whether or not, Mr. Chairman, that is a totally independent evaluation body or not, I am really not prepared to say, but I believe all of us do a little bit better when there is someone outside taking a look at us in evaluating, although I understand the complaint of the Bureau with respect to division of authority and some of the negative aspect that comes from that division.

Mr. LEHMAN. Well, I have been in private business most of my life and I know I could not borrow money on a statement unless I had an independent audit to confirm the statements to take to the bank.

I think we are doing the same kind of thing. I believe that independent outside confirmation or evaluation is essential to any kind of an operation that deals with money, and that is what the census deals with.

I want to thank you very much, and I hope, if you haven't already seen the pretest census forms, that you take a look at them. You know your people in your cities, you know you can begin to get a feel on the response that they would get on the mailing out, mail-back type of operation, and what we are trying to do is to simplify this without a complex form which in my mind doesn't relate to the attitude of the people now in revealing this kind of information. And if you would like to have copies of them I would like to see that you get them and I would like to see what you think of these forms in relation to what you would think would be the responsiveness of the people of your city completing and mailing back these forms which haven't been too well received in census in Oakland and Camden so far.

I thank you very much.

Mr. LANDRIEU. Thank you, Mr. Chairman, I would love to have those forms and if you choose to let us have them we will certainly comment on them for you.

I want to thank you again and Congresswoman Schroeder, for bringing this matter to the public attention as you have in your legislation.

Mr. LEHMAN. You have a great city that I always enjoy visiting.

Mr. LANDRIEU. Thank you.

Mr. LEHMAN. Now we will hear from the other member—Mr. Scammon.

**STATEMENT OF RICHARD SCAMMON, FORMER DIRECTOR,
BUREAU OF THE CENSUS**

Mr. LEHMAN. Do you have a copy of your statement?

Mr. SCAMMON. No; I have no statement, Mr. Chairman, I have some comments that I would like to make.

Mr. LEHMAN. Nice to have you talk with us.

Mr. SCAMMON. Mr. Chairman, my name is Richard Scammon, Director of the Census Bureau from 1961 to 1965 under Presidents Kennedy and Johnson.

I would like to speak this morning, Mr. Chairman, in terms only of two or three aspects of the legislation which I believe the committee now has under consideration.

I am not close enough to the day to day work of the Bureau at this time to know the exact nature of the test programs which have been devised or which are proposed, or the question forms which are planned to be used in the 1980 census. There are, however, two points I would like to speak to if I may, this morning.

First, the proposals with respect to an independent audit of the activities of the Bureau within the Bureau, I suggest, will very likely fail to meet their purpose, and will, I suggest, also Balkanize the organization and operation of the Bureau.

Whether or not an independent audit should be made of these activities I don't know, but if you want to make it, Mr. Chairman, I would hope the committee would seriously consider the placing of these audit activities outside the framework of the Bureau and within some other activity more specifically supervised by the Congress. The idea of a deputy director of any Federal agency, who is appointed by some external authority, and who has a hiring capacity and programing capacity of his own, develops in the managerial mind only a nightmare of inadequacy.

Having watched the Federal operation here for nearly 30 years in Washington, frequently as a part of it, I would urge upon the committee a most careful examination of the concept of "independent" audit within the framework of an already existing agency. And suggest to the committee that the most likely result of such an undertaking will be a choosing up of sides within the Bureau that can only guarantee inadequate performance and a bad census.

The second general point I would like to speak to deals with the general provision in the legislation with respect to widening the access of physical records of the census, and I presume by this you mean the actual physical identification of bodies which has so long been under the strictest kind of rigid privacy requirements.

Now I understand that there are various ways, indeed as there have been always in the Census Bureau, by which non-Census personnel can be sworn in, so to speak, as agents, and these should be

continued. But I would hope that in developing this legislation, Mr. Chairman, strictures will be placed upon the use of such agents to insure that each community which challenges a census count does not have a hunting license to plow around elephant like in the files of the Bureau. Such can only result in a cheapening of the confidentiality pledge and can only lead to a great increase in the very limited number of persons who have said they simply will not participate.

Now theoretically such people can go to jail, actually they don't, they are usually fined, but none of us want to get a situation in which people, frightened at a political use of their allegedly confidential data may rebel against participating at all.

I believe this can be handled, I believe it can be controlled, I believe it can be provided for. But I would urge the committee to consider it with measured care to make sure they are not throwing away the confidentiality provision which has been of great value to the census and to the Census Bureau in previous years.

Finally, just to comment, Mr. Chairman, about the overcount or undercount. Obviously the importance of the undercount today is measured in money. A century ago you might have had a real argument on an undercount based on pride. There was a great one, a historic one, in the 19th century when Minneapolis and St. Paul were trying to outcount each other and made use of the graveyards for this purpose.

The fact of the matter is, Mr. Chairman, you will probably get a larger, yes, a larger undercount this year than you did last time no matter what system you use. And the reason is that you have increased substantially the number of people in this county who don't want to be counted.

If the estimates of illegal aliens presently resident in the United States are anywhere near correct, there is no reason why such people would want to get their names on any record of anything. They have no desire to talk to the man, they have every reason to believe that this might be used against them as a prosecution measure for deportation proceedings.

So I would suggest that, as you approach this problem of the undercount, and obviously there is no problem of an overcount, one must bear very carefully in mind the major problem of the undercount which is not inefficiency or inefficacy on the part of the agent, but to a very real extent, an active desire on the part of certain number of people, citizen and otherwise, not to be counted at all, not to be listed, not to be on the voters list, not to be on the directory list, not to be on the jury empanelment list and so on.

These are the points I would like call to your attention, to emphasize this morning, Mr. Chairman. Organization, confidentiality, and undercount.

Mr. LEHMAN. Thank you, Mr. Scammon. Ms. Schroeder

Ms. SCHROEDER. Thank you very much. We appreciate your testimony. I was a little bit concerned about your allegations that we were going to be allowing all sorts of groups to come, shuffle through all the papers, and confidentiality would be breached forever by this bill.

I know that I have read that several times in the press but I think those of us who have worked on the bill thought in essence we were

really restricting some of the present practices that were going on. So if you could point out to us the sections that you think expanded the present practice, I think that we would be more than willing to tighten up on them. I don't think anyone had any intention to give everybody a hunting license, in fact we thought we had cut it down.

Mr. SCAMMON. I am sure you are right, Ms. Schroeder, and as you will recall, when I was making the testimony, it was not that that was what was going to happen necessarily under this bill, but that I hoped the committee would write into the bill, if they are not there now, why it can't happen. I can't say they are not, none of us can because we don't know how this will work.

The most stringent restrictions possible consistent with the quite proper need of local authorities to get some kind of evidence as to how many people the census says are on block 29.

I just would hope, Ms. Schroeder, that the committee would bear most carefully and not casually the vitality and need of the confidentiality promised to make the census effective, because once you get the concept by anybody that these census records are really fair game, no matter how good the purpose of the fair gamers may be, you run into real problems. And our colleagues who take census in other parts of the world have found as we have, that there is a growing disenchantment, dubiety, criticism, unsympathy, whatever you want to call it, with the purposes of the census as another government intervention, infringement, whatever you want to say in their own private lives.

I would hope that the committee would extend itself to protect confidentiality.

Ms. SCHROEDER. You see, I guess what I am saying is that I think we did and it is in the bill, and I have been most distressed by reading in the press, and have everybody screaming and yelling that we are opening them all up and everything else.

I read a tightening in the bill of that provision and I don't know where all this mess came up that we were opening up the file, but if someone could point to us specifically the section where we are making it broader rather than narrower, I would be more than happy to hear it. Because there was a total consensus on the committee to change it immediately because I think we are all in agreement with what you said.

Mr. SCAMMON. I don't think that is the fear, Ms. Schroeder. The fear is rather that in the day-to-day practice of the hearing of these appeals, with the pressure from the local communities, which is always one way, for more names, more bodies because it is more money. If I were a mayor I would be in here screaming like everybody else I suppose. That in the practice of this, not in the language of the bill, with the sort of bifurcated leadership which is provided with the audit—like the old Roman Army, one consul commands Monday, Wednesday, and Friday. The other consul commands Tuesday, Thursday, and Saturday—that you might very well end up with an unintended, as far as the committee is concerned, weakening and loosening of those ties of confidentiality.

I cannot point to any part of the bill because I think most of the apprehension of people who have read it doesn't come from the language of the bill, it comes from the premise of the administration under the bill and none of us can say what that will be.

Ms. SCHROEDER. Well, as I say, I think under the administration of the bill, the director is the one that is really the commander in chief and I think that is a clear line so if there was any violation we would certainly have somebody in that clear line of command that is not quite as bifurcated as maybe some people have thought.

But let me proceed further, I was fascinated by your suggestion that the evaluation should be outside the Census Bureau. I don't think any of us are committed as to where that audit or evaluation should be. And one of the things that has often been brought up is maybe we should turn to the Government Accounting Office over on the legislature side of the check.

Would you have any suggestions as to where the auditing services should be because I think if we want to really deal with the hot political issue that is going to be coming, and I think we both realize that very strongly, the obvious tremendous undercount one can project because people just plain don't want to be counted, and the pressure from cities insisting that somehow the numbers are different than they are really reported and probably they are, but the issue is how much different, so forth, and so on. How we get that independent audit cranked in, and who should be in charge of it becomes very, very important before we really increase alienation of local levels and local officials and State officials and everyone else, as we deal with this 1980 census.

So if you have any suggestions as to who should be in charge of that audit, we would really appreciate it I think.

Mr. SCAMMON. You mentioned the GAO, Congressional Research people have been mentioned. Maybe it could be helpfully located simply in the office of the Congress.

Basically I think it is a congressional oversight function whether it is handled that way or not. And whether or not one should have this kind of an independent audit is hard to say. As soon as you use the word "independent" and "audit," these are plus words and they become good as opposed to nonaudit and nonindependence which are bad words. Whether or not you locate it in the GAO, the Congressional Research people, or the Congress itself, I don't know. I think what is important is to not put it in the agency which you are trying to audit because then you create administrative and managerial problems. And having served as chief of that Bureau for 4 years, I would never have objected to somebody auditing me from the outside. I would have been very dubious about somebody sitting two offices down from me separately appointed with his own hiring and firing and I would have to—in all my staff meetings, I would have to say is this assistant director with me or is he with him. Is this deputy going to be with me or is he going to be with him. He is not with us, he is with them. And this kind of managerial problem would, I think, exacerbate difficulties which are already going to be difficult anyway, and an outside audit is an established and acceptable form of checking anything.

As the chairman remarked, in the last few years the census has become much more related to the handing out of money than it ever was in the past when this wasn't so great an issue.

I would have no specific place except to suggest, again, that it not be in the Bureau proper.

Ms. SCHROEDER. I couldn't agree with you more, and I think there was some comments by Ralph Nader which were interesting in the Wall Street Journal related to this where he was talking about how the public interest people that were put in different agencies became the Trojan horse in reverse. They were kind of silenced or if they had been active they get pushed out. You know, there becomes that tremendous inner conflict, and I can see that.

But one of my fears is that if you're moving outside of the agency then how does the audit have access to all of the data they need in order to do an accurate audit and still guard confidentiality?

Mr. SCAMMON. Congress has control of the Bureau. Say so in the legislation. The Congress is the power grantor in this case and the power taker awayer. The Bureau operates, or should operate, simply as another part of the Federal executive under the control of Congress. And the legislation by which the Bureau operates, the census which it takes, these are in terms of legislation. I would see no reason why you couldn't provide that the independent audit would have as much access to the records as might be required and work out the details and the legislation.

Ms. SCHROEDER. And protect the confidentiality at the time?

Mr. SCAMMON. I don't think you would have much problem in terms of the audit because if the audit got down to the individual records of individual citizens you wouldn't finish the audit by the 1990 census anyway. So you wouldn't have to worry about that.

Your main difficulty, I think, with any kind of audit is to meet the main complaint. The main complaint is undercount, and as I suggested to the chairman and would suggest again, what you will doubtless find in this is that this is not an auditable account of malfeasance, but that your real problem is the problem I remember once having had with a city attorney of east Chicago who came in and said he wanted a recount. All right, we will give you a recount. Can you guarantee me the recount will give me more bodies? No, I can't, unless you are prepared to put the whole police force at our disposal and declare martial law. Because what you have got to do is to insure responses. In many countries, you know, people are ordered to stay inside on census day, you will stay in your house until somebody comes around, daubs your finger with red ink or whatever it may be and lets you go.

And I think it is a mistake, Ms. Schroeder and Mr. Chairman, to consider the problem of undercount primarily as one that is administrative malfeasance which can be adjusted and arranged by some kind of managerial gimmickry. I don't know whether the schemes proposed in the legislation would work or not. I would rather doubt it. Not because the schemes themselves are not good, but because the problems with which you are dealing here is an escape problem.

I give you a specific case. My wife was a census taker in 1960, and she was told that many people, many families with large numbers of children or with extended family relationships, were very reluctant to identify the total number of people living in apartments because under many public health codes and under the housing codes, you are only allowed to have x number of people in the apartment. If you have got $2x$, you are going to get thrown out of your apartment. So suddenly the family loses one uncle, one child, and grandmother because they want to stay there.

I would suggest that the problems of undercount that I saw indirectly, because I did not myself direct the census during the physical taking of a population census, were largely related to social circumstances in the area in which, whether you ask 5 questions or 50 questions and whether you have system A, scheme B, plan 4, whatever it may be, you are really dealing with people problems rather than institution problems.

But, as I say, I have not been intimately involved with this recent test in the Bureau or with those I understand are planned and it may well be that I am wrong on this and that these new tests will produce some new formula which could significantly lower your undercount. I would be dubious, but I sure would be happy to be persuaded.

Ms. SCHROEDER. Well, I have taken much too long. I appreciate your responses and as I say I really think if you pointed out explicitly exactly why they were so concerned is that most of the social reasons that do plug into the undercount appear to be impacting in the cities and suddenly that means dollars much more than it ever meant before, so it becomes much more critical that we convince people we have done everything we can to try to deal with that issue and that is what I think we are attempting to do in this bill rather than wait until 1980 and the census is over and a piling on, everybody yelling how bad it was.

So hopefully we can do something in the future, and I think if you come up with any ideas that deal with the problems that your wife dealt with, which all of us, I think, have seen in our own immediate area. Any ideas as to how to estimate that or evaluate that, or get some feeling for that, we would really appreciate it because I know there isn't any magic game that you can do, but there must be some way with the technology and the estimating abilities that we have to do something about that, I would think.

And I thank you.

Mr. SCAMMON. Let's say that we hope there is.

Mr. LEHMAN. Mr. Rousselot?

Mr. ROUSSELOT. Thank you, Mr. Chairman. I regret that I was late because of our budget committee meeting. We are trying to resolve differences with the Senate on the budget resolution.

But we do appreciate your coming today because you certainly are someone who lived with these problems in the past. The fact that you also had one of your family actually out taking the census in 1960 at the ground level, I am sure is helpful.

I am interested in pursuing several items that you brought up.

You mentioned the fact that the undercount, no matter what we do, is very likely to remain anyway because of the reluctance of certain people to answer questions or who somehow find a way to avoid being counted. You mentioned social reasons or just plain people problems.

Then it is your judgment that this bill does not necessarily improve on the problem of undercount, is that correct?

Mr. SCAMMON. I couldn't make that statement because you won't know the answer to that statement until you hold the census under a different system of counting.

Mr. ROUSSELOT. No; but the point is that you are somebody who has this experience and your judgment is important. I get the indica-

tion that you do not feel that this new proposal would in fact solve the problem that Congress hears so much about from certain mayors.

Mr. SCAMMON. I would see no reason, in a change say in the number of questions asked, which I believe is the essence of the legislation, or in the review procedures which are essentially an ex post facto managerial arrangement, to see that the changes suggested in this bill would have any dramatic effect on the undercount.

Mr. ROUSSELOT. Would have no dramatic effect on the undercount.

Mr. SCAMMON. Well you never can tell here, there maybe administrative measures you can take which might help a little.

But if I am correct that you are dealing primarily here with a people problem, with a problem of social organization rather than with how you frame questions in a questionnaire and so on, obviously you are not going to change the social disorientation of the city for the next 3 years.

Mr. ROUSSELOT. Or that grandmother or that child the head of household doesn't want to answer for.

Mr. SCAMMON. Exactly. Or most particularly, in your own part of the country, Mr. Rousselot.

Mr. ROUSSELOT. We call them illegal aliens.

Mr. SCAMMON. The allegedly very large number of illegal aliens, undocumented workers, whatever you wish to call them. And I must say if I were Jose Lopez and I were across the border illegally and I was working as a dishwasher in a local bar, I wouldn't want my name on anything either.

I am not sure that this is not going to be used by Immigration to send me back. I am not sure what it is going to be. And my tendency would be right now to suggest that there are going to be very real problems in addition to the problems 1970's because my understanding, and I may be wrong on this, but my understanding is that the increase in illegal immigration, the increase in undocumented aliens workers has been very substantial in the last 10 years in your area as well as others.

Mr. ROUSSELOT. Right.

Can you give us some other examples, in your judgment, or on the basis of your past experience and what you know of the current experience, as to why there is in fact an undercount?

Can you give us some other examples that are prominent?

Mr. SCAMMON. The example that I gave you with respect to my wife's work as a census taker in the 1960's probably would be exacerbated as proposals for rent control increase. Because these are related to the fact that as housing gets more difficult to get, whatever benefit you can enjoy by cheaper housing for a large family you are going to try to hang on to it. Now if that family is under other forms of social control, by that I mean welfare and things of that sort, you probably won't.

I have cited the increases that I think you may anticipate because of the increase of illegal immigration which is commented to us constantly. I think social disorganization generally in a area like, oh, the south Bronx for example, may markedly increase.

Now, one may argue on the other side. They may argue that because the population of these disoriented areas has decreased somewhat as

the former inhabitants of the areas have moved out themselves to better accommodation, this may decrease. I would not really be able to say, and this is why I reacted not negatively but neutrally to your question.

I don't think anyone can say whether this kind of legislation will do it or not, the best judgment I could give you is that it's effect would be marginal.

Mr. ROUSSELOT. Would be marginal.

Mr. SCAMMON. Marginal.

I was speaking about the actual questing for data, we are not speaking about the independent audit and other ex post facto devices.

Mr. ROUSSELOT. I appreciate that. I just wanted to be sure that I pinned it down.

We realize we are all guessing to some degree but in Congress we become conscious of that because so many mayors and the League of Cities and others say wow, somebody has got to do a better job on this undercount problem. I must admit I haven't heard as much from the largest mayor in our area, Mayor Bradley as I think we have from some of the others.

He is concerned about undercount, but I don't think he is as concerned as others are.

Now, on your discussion of the audit which I think concerns many of us, I tend to view with some agreement your suggestion that it provides real administrative problems to have the auditing operation or evaluation operation within the framework of the same bureau.

Would you come down on the side of putting that evaluation unit in the Commerce Department since they have oversight anyway? Or maybe some kind of unit in the General Accounting Office?

Mr. SCAMMON. If you really want an independent audit which would be accepted as independent it would probably have to be outside Commerce.

The closer it is to the Bureau, if you're in the Bureau or in the Commerce Department which does general supervision over the Bureau of the Census, the less likely the independent audit is to be creditable to the people who ask for it.

Mr. ROUSSELOT. Does that mean that between the two, you put it in Congress or the General Accounting Office. That you say General Accounting Office?

Mr. SCAMMON. Yes; if those are the two options, there may be others.

Mr. ROUSSELOT. Have you got another option to suggest?

Mr. SCAMMON. No; I don't really have.

The question Ms. Schroeder asked was relevant on this matter as to whether it should be in some other part of Government, perhaps attached to the Congress itself, I don't know.

Mr. ROUSSELOT. Of course the General Accounting Office, I hope, is an arm of Congress. This is changing—

Mr. SCAMMON. That's true. It might well be. The General Accounting Office has a good reputation and has to be concerned with the cosmetics of an undertaking of this sort as well as it's reality, and I think that people—

Mr. ROUSSELOT. I am sure they'd ask for more personnel. [Laughter.]

Mr. SCAMMON. I think really if people are mad at the census, because

they think they can undercount at 35,000 bodies, I think they would be more likely to respect the audit if it were totally outside Department of Commerce rather than if it were in Commerce and then they would say well, after all these guys always have lunch with each other and they talk over these problems.

Mr. ROUSSELOT. I think the problem you mention is very real. If the head of this evaluation unit is within the Census Bureau, there clearly is a competitive problem with the other administrative officers, and I couldn't agree with that more.

I think you presented a very cogent case as to why that would be an administrative problem as well as a credibility problem.

Mr. SCAMMON. More than a problem, Mr. Rousselot, a nightmare. I really would cringe if I were head of a Government agency at this kind of an arrangement. I can understand a desire to put it there because of the access to data, the personnel, but I think that moving it from the immediate functioning of the Bureau will produce far more credibility on the part of an enraged mayor no matter how much you might write into the law.

Mr. ROUSSELOT. I tend to agree with you.

Now this problem of access my colleague from Colorado, Ms. Schroeder, raised. The General Accounting Office normally has adequate access and is usually protective enough of confidentiality matters, isn't it, and has enough judgment on that subject.

Mr. SCAMMON. I don't know that the GAO has ever undertaken this broad a charge with respect to the Bureau as such. I would think that one great advantage would be that being civil servants, or being in the Civil Service, the possibilities would be less subject to criticism than this one that people in a town might have if they thought their records were being looked over by people who had been sworn in on Monday and being sworn out on Friday and then the other 51 weeks in the year were going back living in the town with all this information in their hands.

Now, I would suggest also that it is unlikely that auditors would get that far down in the process.

Mr. ROUSSELOT. Or would need it.

Mr. SCAMMON. Or would need to. Or would need to. They might feel they needed to, but really if you have got population down into the block 11 as you do under most census data, the need to know that Smith, Brown, and Jones live at a certain address and so on and so on, you might have to look at that in particular cases, but I would say if your independent auditor is getting that far down, as I say, you'd never finish. Because you would never have the personnel to do each one of these jobs.

Mr. ROUSSELOT. So what you are saying is that you think the confidentiality of the individual would be fairly well protected?

Mr. SCAMMON. Could be protected. I would only hope that the committee would regard this as one of its prime tasks.

Mr. ROUSSELOT. I am sure we would.

Mr. SCAMMON. And make the legislation as stringent as they felt was necessary so that access to the individual records of individual persons would not become casual. Access to the data and gross, fine, nobody objects to that.

If you want to say there are 200 people in this block, or 150 in that one and nobody on the next one, fine. But if you are getting down to the observation of personal census data given under a pledge of confidentiality by nonpermanent employees who have come to this task from their city and will return to it, I hope this can be operated under maximum protection.

Mr. ROUSSELOT. I think your point is well taken.

If you think of any other possible places this evaluation unit could be placed—it would be helpful, otherwise I would take your comments here today, although you haven't just firmly said that it has to be here, that the General Accounting Office, of the two other possible places, that is the Commerce Department itself, or the General Accounting Office, the General Accounting Office is probably a better place.

Mr. SCAMMON. I think better than Commerce. I should think that the Department of Commerce would in it's own interest seek to disqualify itself from being an independent audit of one of it's component units.

I just would feel that, though they might do a wonderful job, and though they might be absolutely above suspicion, the nature of this appeal is a nature of an action seeking more. And when people seek more their capacity to find is endless.

Mr. ROUSSELOT. I also think the point you made very strongly that the matter of credibility to the mayors and public in general is an important factor.

Mr. SCAMMON. Yes. Even though I did not personally conduct the census, we conducted many special censuses. I recall one in particular in Rochester, N.Y. which led to the embattled city administration descending on us en masse. And I can understand their view entirely. They are honestly convinced they have got more people than we say they have or we said they had at that time. They are convinced that somehow they are being shortchanged and they want to get more. I can't argue with their desire to do more for their people, but this desire should not lead us into error with respect to confidentiality or need for adequacy with respect to the audit itself.

Mr. ROUSSELOT. So have you had a chance to thoroughly go through the bill?

Mr. SCAMMON. I wouldn't want to say thoroughly, I read it and I commented this morning on those particular sections of it that seemed to me relevant to my experience because there are questions with respect to testing devices in which it has been now too many years since I left the census to be able to make more than general statements on it.

Mr. ROUSSELOT. Right. Well, I think it would be helpful if you could.

I realize probably it is an extra burden, but since you are a former director I think it would be very helpful, if you could, again, go through the bill and maybe in writing express any other concerns you might have.

Your judgment, I think, as one who served there 4 years, would be terribly helpful and I think the whole committee would be interested in a more careful perusal. Do the best you can without putting extra demands on your time, as one who is interested in the census.

Mr. SCAMMON. I would add only one general point, Mr. Rousselot. That if I am correct, that if many of the problems undercount are related to people and to social organization and disorganization, then a two phased system of questioning, a limited questionnaire or an extended questionnaire, while relevant is really not the most important question that you are dealing with.

Quite honestly, I think the most important question you are dealing with is the vast increase in the number of people in this country in the last decade whose own economic and social interest might not lead them to answer any kind of question about anything anyway. Now how you meet that problem is one that is of course not in the bill and indeed it may not—I would guess it is not possible—

Mr. ROUSSELOT. Can you be more specific?

Mr. SCAMMON. Specifically in terms of the illegal immigrants.

Mr. ROUSSELOT. That clearly is a problem. The President has been willing to address it, I don't agree with him entirely in its solution, but at least he is addressing it. But you are right. In many, many parts of this country that is going to be a real problem for the census.

Mr. SCAMMON. And for the individual immigrant. If I were, as I say, if I were such an illegal immigrant, I would just be dubious. No matter what Mr. Carter might say, or Mr. Rousselot might say or the chairman might say. No matter what appeared in the local newspaper. I would just say, look I came in here under the wire, so to speak, and these are all nice people and fine folks but I don't want to get back on that bus, so I am just not going to talk to anybody and answer anybody about anything. I think this is going to be a real problem.

Mr. ROUSSELOT. I agree with you.

Well, I have many other question, but my other colleague was here before me and has been very patient.

Mr. LEHMAN. Mr. Solarz?

Mr. SOLARZ. Thank you very much, Mr. Chairman.

I would like to follow up on some of the questions that have been put by Ms. Schroeder and Mr. Rousselot at the hearings.

Let me say, Mr. Scammon, that I have enjoyed and appreciated your writings and commentaries over the years. While we have never had an oppotrunity to meet, I have really been very impressed with your observations on American politics and the census.

I do have several questions. First, on this question of the illegal aliens.

This is a problem that Mayor Beame pointed out to me in terms of New York City's situation. It was his feeling that if someway could be found to more precisely identify the total number of illegal aliens in the city, New York would qualify for an appreciable increase in Federal assistance for a variety of programs.

Do you have any thoughts about what might be done to enable the census to get a count, or at least a more accurate estimate, of illegal aliens?

Mr. SCAMMON. No.

The fact is that you are dealing here with a mental set in which, I think the reluctance of the illegal immigrant to respond to Government is understandable, normal, and what I would probably follow if I were in the same situation.

Now, Mayor Beame, or anyone elected to the mayor's office in New York, if he accepts the figure of—what was the last one I heard—750,000 of illegal aliens in New York would that be a fair figure?

Mr. SOLARZ. I had heard somewhere around a million, but it is in that ballpark.

Mr. SCAMMON. Whichever it is it's a lot.

Obviously, if these people are not counted in the census or if only half of them are counted, the financial resources made available to the city, whoever the mayor may be, are that much limited.

But, I must say, with all respect to the committee, that I think it would be very difficult to find managerial or institutional answers to a problem as deep as this particular one which is not only illegal immigration, but the mental approach of an illegal immigrant in an alien society trying to adjust himself. I don't know, I have no suggestions to make.

Mr. SOLARZ. Let me throw out one idea as a possibility.

Would it be legitimate from a statistical point of view to create a presumptive Federal entitlement to assistance, based not on a precise count in those instances where people have an obvious incentive to refrain from cooperating with the census, but based instead on some kind of an estimate that estimate might perhaps be derived by a panel of experts looking at a variety of direct evidence which would enable them to arrive at a figure which, while not statistically perfect, nonetheless might be closer to the actual figure than the count itself. After all the count relies on the voluntary cooperation of the people some of whom have an incentive not to cooperate.

Mr. SCAMMON. What are you saying is, as I understand it, is it not feasible that the disbursement of Federal funds should be based on estimates rather than head count.

Mr. SOLARZ. With respect to those categories of individuals who have an illegal incentive, as it were, not to cooperate with the census. So I am not talking about an estimate for the population as a whole, but only that small segment, such as illegal aliens, who can be presumed to have a motive not to cooperate.

Mr. SCAMMON. I understand your problem, but this is the old case of the half pregnancy, in other words if you are going to say in effect, we are going to take a head count for class A, but we are going to make an estimate for Class B, there are legal problems there that I wouldn't even put one's mind to, not being a lawyer, in the first instance.

But if I were, I don't know how you would fare on a class action suit designed to point out that you really were discounting, uncounting, recounting, or by counting, whatever you wanted to call it, a certain segment of the population.

Now, money in general, I suppose, could be distributed on the basis of estimates of the whole population. Maybe this is now done. After all, we know perfectly well that right now the census is out of date. The census that was taken as of April 1, 1970, this is past April 1, 1977. Obviously, there have been tremendous changes in the actual physical count of bodies in the United States, and estimates are used for this purpose.

If it is legal to disburse Federal moneys on the basis of an estimate, I see no reason why you couldn't make an estimate of the whole population.

Mr. SOLARZ. But my understanding is that there are estimates of the undercount of citizens from minority backgrounds or neighborhoods. Whether or not those estimates are accurate, people apparently do have some sense of the rough parameters within which these communities are undercounted.

To your knowledge, are there any estimates of the extent to which the illegal aliens are undercounted in the census?

Mr. SCAMMON. You would have to address that question to the Census Bureau.

I don't think—certainly it was not a major question when I was director 15 years ago. On the other hand, the problem of illegal immigration had not then reached the heights it has now.

Mr. SOLARZ. Well, then, let me move on to another question.

As I look at this bill and hear some of the testimony about it, it seems to me that the heart of the argument, both for those who support the bill and for those who oppose it, is a difference of opinion with respect to how much the length of the questionnaire contributes to the undercount.

Mr. SCAMMON. Yes.

Mr. SOLARZ. And in your judgment, the undercount has much more to do with "people" problems, underlying sociological considerations, than it does with institutional matters.

Mr. SCAMMON. That is my estimate.

Mr. SOLARZ. I understand.

Now, even if one concedes that you can't ever competitively eliminate the undercount, we still have an obligation to try to minimize the undercount. To the extent that institutional improvements can minimize the undercount, obviously they are worth making.

Now, what I find it difficult to make a judgment on is the extent to which the length of the questionnaire, in and of itself, contributes to the undercount. Proponents of the legislation obviously feel it does.

I noticed that the testimony of one of the representatives of the Census Bureau drew a conclusion that two questionnaires would add to the burden of many people and thus contribute to the undercount.

What I would like to know is, to your knowledge, is there any evidence based on actual research tests of the extent to which there is a relationship between the length of the form and willingness of people to cooperate? And if not, is there any reason in principle why such tests can't be conducted? I mean it would seem to me that this is a fairly easy proposition to determine from a factual point of view, if one takes the time to test it.

Mr. SCAMMON. The only evidence of which I have a knowledge—which is old evidence—would indicate that there didn't appear to be, in our judgment—and this is only judgment—I do not know of any test that was taken when I was director in which 50 percent of the universe was tested on the short form and 50 percent on the long form, which is certainly one accepted way of doing this. What the Bureau has done in the last 15 years I could not tell you, perhaps there are people who could.

Mr. SOLARZ. Do you think it might make sense to get a factual answer to this question?

I am amazed at the length of time the Census Bureau needs to test these things. You are familiar with political polling. We had a

primary in New York for the mayoral race on Thursday, and on Friday one of the candidates—who I am supporting—had his people out in the field conducting a thousand interviews to collect data from the runoff. This was 1 day after the primary. Is there any reason why they couldn't quickly conduct a test in which they had a long form and a short form and on that basis determine the extent to which people are more likely to cooperate with the short form than the long form?

Mr. SCAMMON. Mr. Solarz, if you ask the question is there any reason why we should not get a faction answer, of course, I have to answer yes. There is no reason.

I think you would have to check this out with the Bureau people to find out what their capabilities are and what their estimate would be of the value of taking, as I suggest, a standard medical approach, half placebo and half drugs and see whether it would work.

My own guess, and it is only a guess it is not based a specific project, is that this would not have a great deal of meaning, but particularly if you were to try this in the areas where you anticipate this might have it's effect, particularly in the disadvantage ghetto slum area of the city. I suppose you could do it, but I would want you to take it to them to get their judgment as to the mathematical and statistical problems involved.

Mr. SOLARZ. As I understand it under the present census schedule, the dress rehearsal is supposed to be held on April 1, 1978, which just so happens to be the same day on which the final content of the forms has to be reported to the Congress. The bill provides for a 6-month postponement in the dress rehearsal, giving Congress the time to consider the content of the questionnaire.

Do you think that the Congress should have a voice and a role in determining the content of the census or do you think this should be left completely to the Bureau?

Mr. SCAMMON. Mr. Solarz, Congress does have such a role now. As a matter of fact, most specifically, the Congress can reject any distribution of seats by States as a result of the census, any such census distribution, it could write it's own. And the same thing is true I should think, Congress could write it's own questionnaire if it wished.

The Bureau is under the control of Congress. And I would not know how to respond to a question which says should the Congress have a role? Of course, the Congress should have a role, and does have a role, has had a role, and will continue to have a role.

Mr. SOLARZ. Well, what sense does it make to report the final content of the census to the Congress on the same day that the dress rehearsal begins?

Mr. SCAMMON. Again, I would refer you to the Bureau people who know why they made their own schedule.

I must say that a 6-months delay in organizing the census, which is one-quarter of the time available between those two dates that you mentioned, would, as a manager, seem to me a tremendous burden to place upon me, but I am not a Director of the Census now and you would have to direct that question to them.

Mr. SOLARZ. Assuming we went to a two-stage census with a short form and a long form, is there any reason that the income question should be included on the short form everywhere if provision is made

to include it on the short form in those very small towns where a larger sample is needed?

In other words, is there any reason to burden everybody in the country with the income question so long as you can get an adequate statistical sample nationwide on the long form, which I understand will go to 20 percent of the population, and you have provided for the inclusion of the income question on a 100-percent basis in those communities and localities, where a 20-percent sample wouldn't provide a sufficient number of responses to derive meaningful data for the allocations formulas?

Mr. SCAMMON. I understand that this question has arisen from the quest of the revenue-sharing people to broaden the scope of the income question so that they can get what they think are better data.

This question comes down really to one of judgment, how much do they need. It is the old question of ecology. How much is the fresh fish in the Hudson River worth?

Well, how much are these data worth? How much do you need to have nonsample data. What will happen inevitably, I must suggest, is that the more the census is used to hand out money the fewer people will be satisfied with samples.

In other words, there is almost an inevitable, built-in function here that if anything valuable like money is involved people are less and less willing to accept samples. Now whether this particular case in income needs or does not need a 20-percent sample as opposed to a total sample, I can't say because I don't know the circumstances.

Mr. SOLARZ. If I understand the statistical theory correctly, if you were to take a 20-percent national sample, it would provide you with precisely the same results as you would get from a total enumeration.

Mr. SCAMMON. Or a 2-percent sample would.

Mr. SOLARZ. Or a 2 percent. But based on your experience as director, did you find that there were any meaningful discrepancies between sample data and data which was collected on a 100 percent basis?

Mr. SCAMMON. This depends entirely on the area you are covering. For example, if you took the whole country, you wouldn't need a 20-percent sample on anything, you could get a national figure for income and all the rest on a much smaller sample, but the demands which were placed upon the Bureau, even when I was there 15 years ago and I believe increasing demands, had been for what I call local area data.

In other words, from Mr. Rousselot's area, Los Angeles County it doesn't do any good to have an unemployment figure for Los Angeles County. You can have a fairly low unemployment figure for Los Angeles County and then in Mr. Hawkins' district you can have an enormously high one. So again and again, local people came in and this I would say was 15 years ago and said that I am not interested in Central Park or Central Park east or west. I am interested in the south Bronx and you give me an overall figure for New York. This does not meet my planning needs.

Mr. SOLARZ. I understand this, and it is, I think, an important observation. On the other hand, if you had a 20-percent national sample, it is hard for me to envision that there would be many communities or localities from which there wouldn't be an adequate data base to arrive at these conclusions.

I mean, take New York City as an example. If you have 20 percent of the people participating in a survey, you would have about 1,400,000 responses. Now broken up over the 5 boroughs it would mean that even on a local community level you would have more than the minimum percentage needed to derive meaningful data.

So if there—I mean, even given the demands for precise information in respect to income, is there any reason why you couldn't get that by including it on the same form?

Mr. SCAMMON. I can't answer that question. I am not trying to doubt your inquiry, it is just that I am not aware of the circumstances under which the revenue-sharing people have suggested, evidently with success, that the income question be put on a 100-percent sample.

For local areas that are very small, obviously your error increases as you get a smaller sample. For example, if you had a community of 500 people and you take a 10-percent sample, the error would be higher if you took a 100-percent sample, but as to how much this costs, and is worth, I just do not know.

Mr. SOLARZ. Let me come back to the kind of question we were talking about at the beginning of this colloquy.

Do you think there are situations where it is possible to get a more reliable count based on estimates than on enumeration? For example, for illegal aliens, couldn't you get a closer approximation of reality by relying on indirect data and indications judged by a panel of experts than you could by relying on the actual enumeration?

Mr. SCAMMON. I think it is quite possible, there are certain instances, particularly those in which there is a large number of people who, for whatever reason, do not wish to involve themselves in the census count, where an estimate might actually be more accurate than the head count.

But you have a second problem here. The second problem is how acceptable is the estimate as opposed to the head count as a base for whatever you are doing?

Whether the Members of Congress, for example, would be willing to accept an estimate on the basis of assignment of seat in the Congress or the creation of congressional districts in the individual States, I don't know. I would be dubious as to whether they would accept it or not.

Mr. SOLARZ. Of course, you could accept estimates for certain purposes as a pragmatic compromise.

Mr. SCAMMON. You could accept it for saying some things, and except it for others.

Mr. SOLARZ. Precisely.

Could you give us some examples of situations in which estimates might be more reliable than the enumeration?

Mr. SCAMMON. I could only give you the general principle, because there may be such instances right now. Obviously if you make an estimate of population by counties for 1975, you make the judgment that this is better than the original count that was taken in 1970 and quite likely you are right. Because populations change and unless you are prepared to fund a mid-decade census which the Congress has not yet been willing to do, then the estimate is what you have got and the estimate for 1975, as I would suggest, is better than the head count in 1970, not in 1970 but in 1975.

Mr. SOLARZ. How do you find the census in our own country compared to the census data which comes from other countries? You seem to be familiar with what some of the other nations have been doing.

Do you get the sense that on balance ours is more reliable, effective and efficient? Or do you think that other countries are ahead of us?

Mr. SCAMMON. Again I would have to speak again as it was really a decade ago or more. I would say the American census ranks very high. I can't compare the American census to those of underdeveloped countries where you have many problems of reliability built into these statistics as you do with any others.

But I would say certainly it ranks with those in Western Europe which would be regarded as more, how shall I put it—less disadvantageous by reason of some of the social problems which exist in this country.

Now there are undoubtedly people in every part of the world who are undesirous of being counted in anything, as I have suggested, in voter registration or anything else. There are also systems, as you know, of civil registration in some foreign countries in which you don't necessarily carry an internal passport, but you have an identity which is known, you are registered, you move from place to place it changes, and so on. But I would really again have to turn to my colleagues in the Bureau and ask them—you know the Bureau has an international program, and ask them for their judgment as to the evaluation from country to country.

Mr. SOLARZ. Are there any techniques that you observed in other countries that you think might be applicable here and that we do not utilize now?

Mr. SCAMMON. No. I couldn't really be very helpful there, because my experience is too far in the past. It does not include the most recent census taking devices.

So I again address you to our colleagues in the Bureau. If the committee has an interest, ask someone down like the chief in Canada and ask her.

Mr. SOLARZ. Thank you very much for your answers.

Mr. LEHMAN. Thank you very much.

I just wanted to let you know that in regards to your phrase about the Balkanization of the Bureau, that this was a concern even though the language in the present form does place evaluation in the Bureau, that the majority members and the majority staffs, the minority members and the minority staffs have met about this concern. And without making any firm prediction, that in it's final form I would assume now that this bill when it comes up for markup before the subcommittee would have this evaluation separate from and out of the Bureau of the Census. Of course, the reason we put it there in the beginning of the bill is because—we left it there because we wanted, before we moved it, we wanted to be sure that it could deal with this problem of confidentiality and we would not in any way lessen the code of conduct in regards to this.

But, this is already been in the process of the revision of this bill.

I think that the two questions you raised, one is that there not necessarily be any correlation between the length of the form and the amount of the undercount. The people that didn't want to be counted,

would not want to be counted by the long or the short form. And I think there is some basis of truth there, but then you also made some kind of a statement that the first priority would be to count the people and not worry about—not to get to the socioeconomic data or the politic side of it, the political information and that if we just limited very much into one phase, just counting people that maybe we could register, could shorten the amount of undercount.

Mr. SCAMMON. No, I wouldn't want to leave you with that impression, Mr. Chairman.

It would seem to me that the nature of the undercount, as I have suggested, depends on large measure on people and upon the social conditions in which they live.

Mr. LEHMAN. You wouldn't even want to give it weight?

Mr. SCAMMON. Yes, I would give it weight. For example, it might well be that somebody living in good conditions, without any so called problems, citizens and all that, might think of the long form, ah, the hell with it. That is a possibility.

Mr. LEHMAN. We have had short forms, two phases in 1960 and 1970. We did a two-phase in several cities in 1970. We haven't investigated whether the two-phase increased or lessened, I don't have the data now, the undercount. I know one thing, it expedited the count. But whether we got a bigger or smaller count I don't have that information.

But I don't want to overemphasize that illegal aliens—

Mr. SCAMMON. Nor would I Mr. Chairman, except to say this is the new aspect, in other words, this is what has changed.

Mr. LEHMAN. Right.

We had an undercount problem before we got into the illegal alien count problems.

Mr. SCAMMON. Exactly.

Mr. LEHMAN. And we had a severe undercount in minority males between 20 and 35 simply because, I think, we based our collection process on the household which they didn't belong to. I think we found out in these test censuses, pretest censuses, that basically there is a change in attitude of the American people, not necessarily that they are trying to hide their identity, but a kind of an alienation attitude complicated by the complexity of this form that they are getting in the mail. Apparently even those that have nothing to hide are less willing to mail back this information. Less willing to cooperate.

Mr. SCAMMON. Well, this of course is the offsetting cost of a mail census.

Mr. LEHMAN. Right.

Mr. SCAMMON. I suppose it is, just thinking out loud with you here, it is easier to get responses when there is somebody sitting down with you explaining what you are doing, and so on. On the other hand, the fiscal cost of this gets to be so great that again you are making away with pluses and minuses.

Mr. SOLARZ. Will the gentleman yield?

Mr. LEHMAN. Yes.

Mr. SOLARZ. I thank you very much, Mr. Chairman.

On this question of illegal aliens, is it your impression that most of them have, as it were, official identities in which they in effect claim to be citizens, with the attendant apparatus of citizenship, such as social

security numbers, et cetera? Or do you have a sense that most of them live in a kind of legal limbo where they attempt to mask the very fact of their existence from anyone except, say, the people that they work with?

Mr. SCAMMON. I think the evidence that I have read, I cannot speak with authority on this, is that it is a mixture of the two. With some, particularly those that are well established will tend to take on the coloration of citizenship. Others, particularly the more newly arrived ones, many of whom are living under a form of economic exploitation which is really based on their nonidentity as permanent residents of the United States, would be in a circumstance where they would be very reluctant to—we certainly see this, for example, in voting data.

Mr. SOLARZ. Those who have taken on the color of citizenship, perhaps they would feel when they received such a form an incentive to cooperate on the grounds that if they didn't cooperate somebody might visit them and ask more questions.

Or do you think they would have an incentive not to cooperate on the grounds that any additional information they provide would create greater risks?

Mr. SCAMMON. I think of a person being very torn on this issue. In other words, I can see an illegal migrant and his family really much concerned about this because on the one hand, if they could establish come bona fide residence by filling it in and then later can say, well here is my census record, that might help them.

On the other hand, the more they were identified, for example, where were you born, Mexico, Chihuahua, wherever it was—or they have got to start lying on it saying I was born in Santa Monica which, of course, gets over the problem of language and the rest.

I would say that people whom I have known in the Immigration Service would feel that the average illegal alien tends simply to try to remove himself from the maximum number of normal contacts with the law, with courts, with judges, with lawyers, with the rest.

If he really tries to integrate himself overtly into the society he does run the problems that are concerned, particularly if you really enforce the legislation. I can't answer it; all I can say is there are probably people in both places.

Mr. SOLARZ. But what happens if an individual doesn't return the form?

Mr. SCAMMON. Does not return the form? Under the old practice he would then be visited and again our colleagues who are here today from the bureau could find the answer to you. But normally there is a followup which would involve a visitation to the house. This might be more frightening to the person who has a problem than would be mailing in the thing in the first place. But this is why I say in many cases you might find a very weird individual here because he didn't quite know what they would do.

Mr. LEHMAN. Let me just pick up again. I think that maybe the big question is the complexity of the form, the length of the short form not only makes the illegal alien less reluctant to send it back, but he is also less reluctant to be there when the enumerator comes out there. But 95 percent of the people in this country are not illegal and they have this form and they are either incapable, unwilling, or disinterested in filling it out. It forces the Bureau of the Census to escalate its costs to

get back to these people to enumerate them on a one-on-one basis, to enumerate them, and to correct these forms that do come back. Seventy percent were erroneous and incomplete and what the bill is trying to do, is to make a two stage 100 percent short form with five or six basic questions that, more people would be willing to answer. We can do the rest of it in some way, you say in a sample basis, and just pick 20 percent and do the subsequent data on that basis reducing the cost and hopefully increasing the response and hopefully decreasing the undercount.

I think that we have got a changing society here, we have got people who are going to react differently to enumerators; we have got people who are going to react differently to forms and questionnaires; and we have got people who are going to be more difficult to count. We are going to have to adapt this whole process to what society is all about today.

Mr. SCAMMON. You state your case very well, Mr. Chairman.

Mr. LEHMAN. It ain't easy. [Laughter.]

Mr. LEHMAN. I have a great deal of compassion for the Bureau of Census. By the way Mr. Solarz, you asked about other countries and how they did it. The State of Israel does a two-stage census. And they are supposed to be doing it very effectively and even counting Palestinians in there.

But nothing that we are proposing in the bill is that experimental, in our own country or elsewhere.

Mr. SOLARZ. Mr. Chairman, let me just say that it is relevant when we have before the International Relations Committee the proposed sale of the AWACS to Iran, for people to tell me that Israel is interested in the sale. But I am sure you realize that, in relation to the conduct of the census in our own country, how they conduct it in Israel, while a matter of interest to me, is hardly determinative.

Mr. LEHMAN. I was just trying to show that that was one country that did use the two-stage census and has done it very effectively.

Mr. SOLARZ. Can you give us any indication of your plans to proceed with the markup of the bill, Mr. Chairman?

Mr. LEHMAN. In about 2 weeks, I think.

Mr. SOLARZ. Well, I would very much hope, given the magnitude of some of the changes proposed in this legislation, that we have ample opportunity to hear the emerging points of view. In particular, some of the New York City people, whose interests obviously I have at heart, have expressed concern over aspects of the bill, I certainly hope that prior to the markup we have an opportunity to hear from them.

Mr. LEHMAN. We have had, in relation to this bill, a number of testimony from New York which we will be able to provide you.

Mr. SOLARZ. Testimony where?

Mr. LEHMAN. Before the committee from, who were the ones? Evelyn Mann from New York—

Mr. SOLARZ. On this bill itself? Has she testified on this bill? Are you planning on having additional hearings?

Mr. LEHMAN. I would be willing to have hearings, especially if we revise the bill to include the GAO or major changes in the bill.

Mr. SOLARZ. I know the chairman is customarily most accommodative to the members, and I would personally be appreciative if we could have a hearing in which representatives of the cities—

Mr. LEHMAN. We will do all we can to accommodate that.

Mr. SOLARZ. Thank you.

Mr. LEHMAN. Thank you Mr. Scammon.

Mr. SCAMMON. Thank you, Mr. Chairman.

Mr. LEHMAN. Now if you could tell us what is going to happen in the midterm elections of the Congress, I would appreciate it. [Laughter.]

Mr. SCAMMON. It is very easy, we will have another session on it.

Mr. LEHMAN. We are running a little bit short on time, and any summarization that you can do on your statements, would be appreciated. And, of course, it would be in the record in its entirety.

**STATEMENT OF COURTENAY M. SLATER, CHIEF ECONOMIST,
U.S. DEPARTMENT OF COMMERCE**

Ms. SLATER. My name is Courtenay M. Slater. I am Chief Economist for the Department of Commerce; I am the official of that Department with the responsibility for the Census Bureau.

I am here to speak on behalf of the Secretary of Commerce, and for the administration, on this bill. This is my first appearance before this committee, although I am sure it won't be my last.

I would like to put in the record at this point that I take my responsibilities for the Census Bureau and the 1980 census very seriously, and I look forward to working with you on these matters.

Mr. LEHMAN. We all have the same problem.

Ms. SLATER. H.R. 8871 is a far-reaching bill, having major implications, not just for the decennial census, but for every statistical activity conducted by the Secretary of Commerce under the authority of title 13 of the United States Code. The Director of the Census Bureau is here with me this morning and will discuss with you in greater detail the likely impact of this bill on the successful conduct of the 1980 census and other Bureau programs. First, however, I wish to address the broader implications of this bill for the Federal Statistical System as a whole and for the ability of the Secretary of Commerce to properly carry out her duties under title 13 and under other existing legislation governing statistical activities.

Today's vastly increased reliance on statistical estimates for the distribution of Federal moneys and for other public purposes makes it imperative that questions relating to the collection of data for these estimates be addressed. The administration has begun an effort devoted to solving the serious problems currently besetting all statistical programs. We are not only looking at the Census Bureau but at the entire Federal Statistical System. We welcome the help and advice of the subcommittee in this difficult task.

Unfortunately, we do not believe that H.R. 8871 is a constructive piece of legislation in addressing these problems. Certain provisions of the bill would hamper seriously our present ability to collect accurate and timely social and economic data, and perhaps even more serious, could cast doubt on the integrity of our statistical system. The administration therefore strongly opposes enactment of H.R. 8871.

First, Mr. Chairman, I feel that this bill creates serious questions regarding the division of responsibilities between the executive and legislative branches of Government. The responsibility for carrying out

the census since the beginning of the Republic has rested with the executive branch of Government. This bill provides for the legislative branch to determine the content of the decennial census and to involve itself with other related statistical activities. In addition, the bill sets the precedent of the legislative branch determining the content of all statistical surveys carried out by Census; even those done for other agencies on a reimbursable basis. This provision, combined with the cumbersome time-consuming procedures of the proposed Evaluation Division, to which I will return shortly, would seriously discourage other agencies from using the unique capabilities of the Census Bureau to carry out their work.

Section 185 requires the proposed Division of Evaluation to analyze disputes between the Census Bureau and local units of government with respect to population, income, and other determination estimates used in fund distribution formulas and to report its findings directly to the Congress. The Congressional Research Service of the Library of Congress is required on request to "analyze any policy issue" arising from this process. Again, in our view, this is not a suitable division of responsibility among the three branches of our Government. An agency of the executive branch should report to its parent department, not to a congressional committee. Dispute resolution should be an administrative procedure, with recourse to the judicial process when necessary. The political control of these statistical estimates that is implied by H.R. 8871 could not help but damage public trust in our governmental processes.

A related issue is the requirement that census or survey results be transmitted to Congress on request prior to public release. Individual Members of Congress and their constituents stand to gain or lose in important ways as a result of censuses or surveys. Public concern that Congress wants an advance look at the results in order to "fix them up" would be unavoidable. I cannot believe that Congress wishes to legislate provisions which would open the door even the tiniest crack to suspicions of this type.

Further, if this bill were to become law, title 13 would become a maze of conflicting provisions which, on the one hand, provide the Secretary the authority to undertake certain activities and, on the other hand, prohibit the same or similar activities. Such inconsistencies make it impossible to understand fully the impact the bill would have on the statistical activities of the Census Bureau and would make it difficult for the Secretary to take responsibility for the statistical activities authorized by title 13.

For example, section 193 of title 13 authorizes the Secretary to conduct preliminary and supplementary activities related to censuses, as necessary, whereas proposed section 142 would establish a decennial census period outside of which certain activities would be prohibited. Section 131 of title 13 requires the economic censuses to be conducted at a particular time, but proposed section 14 would prohibit the Secretary from conducting statistical activities until the Division of Evaluation had published an evaluation plan. Since there is no requirement that the division of evaluation must develop evaluation plans within the time schedules established by law or otherwise, it is unclear how the Secretary is to proceed in the event that an evaluation plan is not published by the time the Secretary must begin the statistical activity.

Other provisions of this bill would (1) require the use of statistical

techniques which are not necessarily valid or appropriate, (2) severely limit the authority of the Secretary to allocate resources and personnel where they are most needed, and (3) generally limit the administrative flexibility necessary to operate efficiently. To cite only one of many examples, under section 185 the Division of Evaluation has 110 days to review a challenge of a population estimate, but if the Division determines that an estimate must be corrected the Secretary has only 10 days to rectify the error and to notify all data users.

The issue of the confidentiality of census data is also critical to the success of the Federal statistical system. During the past 4 years the public has been made aware of confidentiality issues in several areas. In addition to the Privacy Act new legislation has been passed dealing with such areas as health statistics and criminal justice statistics; and it is important to the statistical system that the integrity of these statistical areas not be damaged. The Census Bureau's confidentiality efforts are the model for the entire system.

The success of Census Bureau data collection efforts is dependent on public trust that the confidentiality of individual responses will be protected. The Bureau has a long and proud record of rigorous protection of confidentiality. H.R. 8871 would permit access to Census Bureau records by many, many diverse persons who are not Census Bureau employees. It is inevitable that this would erode the public's confidence that the privacy of their responses can continue to be protected. It is hard for me to think of anything more certain to increase the undercount in the 1980 census than public fear that confidentiality might be breached.

Congresswoman Schroeder was inquiring earlier where that provision was in the bill. Regardless of the wisdom of that provision, it seems to me that the bill is very clear on what it would do. On page 25 of the bill, line 24 at the bottom, it states: ". . . allow appropriate officials of such State or unit of local government to have access to the data upon which the determination estimate is based . . ."

Mr. Chairman, there are approximately 38,000 units of local government for which the Census Bureau has made determination estimates. This provision potentially opens up access to individual records to representatives of 38,000 units of government.

Mr. LEHMAN. Excuse me, this doesn't change the law, Ms. Slater. That is the law now.

Ms. SLATER. No; I don't believe so. It is not our understanding of the law.

Mr. FERRELL. Section 23(c) provides: "The Secretary may utilize temporary staff, including Federal, State, and local agencies . . ."

Section 23(c) of title 13, provides for the swearing in of persons from State, Federal, or local agencies, and employees from private organizations.

Ms. SLATER. At the discretion of the Secretary of Commerce. This bill would require—

Mr. FERRELL. So this bill allows only that under these—under 23(c), restricts the access—

Mr. LEHMAN. Restricts, more than broadens.

Mr. FERRELL. State and local agencies may have access to such data.

Ms. SLATER. This not only permits, this bill would seem to me required.

Mr. FERRELL. Permits. Restricts the access.

Ms. SLATER. Are you saying the Census Bureau would have the authority to—the Secretary of Commerce, to deny access provided under this—

Mr. FERRELL. Implicit in—in discussions with the members and the staff, implicit in that was that the Secretary would promulgate regulations governing the access to that. And it is the intention expressed at meetings most recently, that it would be clarified even further to include such.

Mr. LEHMAN. Make it more difficult than less, under present law.

Ms. SLATER. I appreciate that explanation. It does seem to me that the bill as it is now written does not make that clear at all.

It seems to me to say: "The Secretary, notwithstanding the provisions of Section 9 of this title shall allow . . ." If the intent was to permit the Secretary to do so at her discretion, then that needs to be made clear.

Mr. FERRELL. This is not the intent of the bill. It is to restrict.

Mr. LEACH. I might comment.

Mr. LEHMAN. If the lady would permit.

Mr. LEACH. The statute, as it is currently written, allows anybody, in order to assist the Bureau, to be designated as a census employee.

The real difficulty is not necessarily who may be granted access to records but who, in practice, actually is.

The proposed legislation appears to be geared strongly toward the concept that access is available if there is an appeal. In the current bill, it seems anyone who appeals may have access.

One of the extraordinary difficulties of this is how you determine when to deny access, because if you allow access to one town and not another, you are going to be setting precedents that are very difficult. Judgments are going to have to be made.

And I would just hope that if this legislation is adopted, that we can make it very, very clear that the intent of this bill is not to broaden access to confidential data. Furthermore, the intent of this bill should not rest on a verbal explanation, but should be written into the bill itself in strong language. There should be restrictions clearly stating that access to raw data must be severely limited.

Mr. LEHMAN. Well I think that the overall intent of this bill is to get the best and most accurate possible count, and to resolve the conflicts of those that disagree with this count, and enable them to cooperate and help us produce the most accurate count, and without in any way reducing the confidentiality, but to strengthen the confidentiality.

And as Mr. Scammon was saying, the people that are doing the enumerating, they can come to work on Monday and work in their neighborhoods and quit on Friday, and they have got all the information anyhow.

The people that come in to check on it, all they are trying to do is not in particular go into the private aspects of each person, but just to try to be sure we have got the people counted.

I don't think there is any difference in the intent of what you are trying to do, what we are trying to do, what the Bureau is trying

to do, and certainly what Mr. Leach is concerned about. It is just a way to make the language of the bill work for this intent.

Mr. LEACH. Thank you.

Ms. SLATER. The intents, as you just expressed them, Mr. Chairman, are purposes, objectives which we heartily share, and for which we feel great responsibility.

Mr. LEHMAN. None of us want to be here when the roof falls in on the 1980 census, if we don't have it.

Ms. SLATER. That is certainly true. But I do have to stress that the reported language should not reflect our intent.

The bill as presently drafted, contains provisions that would hamper the timely collection and publication of statistical information. Subsection 14(e), for example, prohibits the Secretary of Commerce from beginning any statistical activity until the Division of Evaluation has published an evaluation plan in the Federal Register.

Furthermore, it prohibits the Secretary from publishing or otherwise releasing the statistical results until the evaluation report of the Division of Evaluation has been published without alteration in the Federal Register.

There is also a requirement in this bill that before the Secretary begins a statistical activity, a plan for conducting the activity shall be submitted to the Congress not less than 60 days before the scheduled start of that activity.

In opposing these provisions, the administration is not opposing careful planning and evaluation. These are worthy objectives which we support enthusiastically. However, prohibitions on the Secretary with regard to when activities will begin and when statistics will be released would seriously interfere with the ability to publish data in a timely fashion and to respond quickly to informational needs as they emerge.

This restriction would apply not only to activities initiated by the Department of Commerce, but also to all other agencies which may use Census facilities.

The President's reorganization effort has a goal, the reduction of the number of data collection centers. These provisions would also significantly reduce the likelihood of other agencies voluntarily using Census to collect data for them.

I am sure you are aware, Mr. Chairman, that much of the activity performed by the Census Bureau is a service function for various agencies which use the data that the Census Bureau collects; employment and unemployment data, statistics for HEW and so forth. The objective of better coordinating our Statistical System requires us to encourage more agencies to use the service functions of the Census Bureau. Our concern is that these agencies would feel these requirements and evaluation plans weren't workable, and would go out and collect their statistics in other ways. That is a serious concern, which perhaps seems like something of a technical matter.

The very tight time schedules under which the Bureau operates many of its continuing programs are perhaps not widely understood. These schedules have been developed in response to the legitimate demands of data users for the quickest possible reading on changes in key economic variables such as the unemployment rate, business sales, new orders, inventories, exports and imports.

I know that governmental users of these data are very concerned that no delays be introduced in the process of data collection and release. We strongly believe that private data users share this concern.

The procedures prescribed in this bill for conducting the decennial census also would result in serious delays in releasing the data. By separating the headcount from the collection of other demographic statistics, we estimate that a minimum of 6 months' delay would be introduced in connection with the collection and subsequent publication of the additional information.

Furthermore, because the Division of Evaluation would be permitted up to 3 years and 7 months to complete its evaluation of the results from the survey of characteristics, the publication of demographic statistics from the 1980 census could be delayed until late 1983. The mid-decade census was approved in the previous Congress in recognition of the need to provide up-to-date demographic data in the middle of the decade.

Proper policy decisions are dependent on up-to-date information concerning our economic and social situation. The potential social costs of delays in data availability could be very great indeed.

The Census Director, Mr. Plotkin, will discuss the direct impact on the decennial census in more detail. But I feel I must point out before closing, some of the cost of this bill and the increases in public reporting burden which seem to be implied.

The "split census" required by the bill probably would require an additional 6 months of field operations. This could raise the cost of the 1980 census by more than \$100 million. More than 40 million respondents could be required to supply the same information twice rather than once.

In our view, this additional cost and additional reporting burden is unnecessary, and inconsistent with the stated purpose of this legislation.

The findings and purposes of this bill states:

The simplification and reorganization of such procedures will reduce the imposition on, and protect the privacy of, the public in the collection of information as well as facilitate the collection of more accurate information.

As I have indicated, we consider that a very important objective. We just don't think the bill would succeed in achieving it.

In our judgment, the extent of any census undercount is related not to the complexity of the form, but to our degree of success in locating all persons to whom a form should be delivered.

The Census Bureau plans a number of initiatives to improve coverage of the 1980 census. These have been described to you in previous hearings. These initiatives have the full support of the Department of Commerce and, in most cases, represent recommendations made by Congress following the 1970 census.

We certainly welcome suggestions for additional steps to improve coverage. However, H.R. 8871 contains few helpful initiatives, other than those already planned or underway.

By requiring the sudden introduction of new and untested procedures, the bill carries with it an unacceptable risk that the undercount would be significantly increased. Indeed, Mr. Chairman, I do not think I overstate the case by saying that if enacted, this bill would create

almost insuperable obstacles for the successful conduct of the 1980 census. I am sure none of us want that to happen.

I share with the members of this subcommittee, a determination to make the 1980 census as complete and accurate an enumeration of the population as can be achieved. I also understand and share your desire to insure rigorous evaluation of all Census Bureau data collection efforts.

I recognize the need to provide full hearings and adequate avenues of appeal for State and local government officials. However, I must repeat that the administration and the Department do not feel that H.R. 8871 advances these objectives.

Mr. LEHMAN. Ms. Slater, I appreciate your testimony. I, naturally feel some differences in your assumptions and I would just like to indicate that you can look at data any way you want to, but I am just wondering how aware are you of how far behind schedule, for instance, the Oakland pretest census and the data from that census apparently is not even going to be ready for the dress rehearsal. As Mr. Rousselot stated, we are behind schedules in the old system.

I think the whole idea of this two-stage is to expedite the information, and it is not untried as you said, from my point of view, untested procedures. We did this two-stage in 1970 and 1960 in other parts of this country. This is not any innovation. This is something that—has already indicated a quicker response in New York City, Washington, and Chicago in 1970 according to what information I have.

And I can give you information if you need it from—

Ms. SLATER. I can attempt to respond to that now, or I can wait until Mr. Plotkin has made his statement.

Mr. LEHMAN. There are a lot of assumptions here that you have arrived at that are different from the assumptions that we arrived at, apparently looking at the same information.

I think it makes more sense to me, that if we see something like what is happening in Oakland and Camden, that we do something about it, to try to find a better way to do it, before we get the moment of truth in 1980.

Ms. SLATER. Yes; certainly, Mr. Chairman.

The purpose of taking these pretests was to find out where the problems were. We have, indeed, uncovered many problems. I appreciate that.

Mr. LEHMAN. We all agree with that.

Ms. SLATER. I do not feel the particular provisions of this bill necessarily speak to the problems.

Mr. LEHMAN. I don't want to belabor this. Time is running pretty tight. I really appreciate your help. I want to thank you and Ms. Kreps for your cooperation, as always.

Mr. Plotkin is next. I thought maybe we would get through and then maybe go from there. If there are any special questions you have—do you have a specific question?

Mr. SOLARZ. I have one or two. I could ask them now.

Mr. LEHMAN. Why don't we try to get Mr. Plotkin on the record, and then we can go for the whole works.

**STATEMENT OF MANUEL D. PLOTKIN, DIRECTOR, BUREAU OF THE
CENSUS, ACCOMPANIED BY DANIEL LEVINE, ASSOCIATE DIRECTOR
FOR DEMOGRAPHIC FIELDS**

Mr. PLOTKIN. Thank you, Mr. Chairman. I appreciate this opportunity to testify on H.R. 8871.

With me is Mr. Daniel Levine, Associate Director for Demographic Fields at the Census Bureau.

This bill has far-reaching consequences for Federal statistics generally, and for the 1980 census in particular. We think the consequences would be very serious and adverse.

Frankly we view the bill as one which takes great risks with public confidence in the objectivity and integrity of statistics; and with the viability and flexibility of the Federal statistical system.

The bill offers a 40-page blueprint for fixing by law the details of the content and conduct of the 1980 census, the use of sampling techniques, the measurement of errors in statistics, the nature and timing of all of the Bureau's statistical activities and evaluation studies, and the appeals that State and local governments can exercise to obtain presumably more adequate data at Federal expense.

Through various provisions that limit the authority and flexibility of the Secretary of Commerce and the Census Director and other provisions that shift judgments and decisions about the adequacy of data to the Congress, the bill creates a unit within the Bureau of Census which is not accountable to the executive branch.

The implications of these proposals are so fundamental as to deserve very thorough and cautious deliberation by the Congress, and the administration. There are also many people outside the Federal Government who depend on statistics and whose concerns about their preparation, timeliness, and utility should be considered.

I would like to focus on four areas of concern we have about the bill:

One, the 1980 census; two, determination estimates; three, evaluation; and four, confidentiality.

Sections 142 to 149 of this bill would require dramatic changes in census content and procedures that have not been tested and could not now be tested properly for implementation in the 1980 census. We would have to abandon plans that have been carefully developed through extensive testing and substitute a new set of procedures of unproven value.

There is no experience or evidence from which one can assume that the census procedures required by this bill would actually improve coverage. Although the bill would eliminate some of the questions planned for the 100-percent enumeration, there is no limitation on the questions that could be added for the purposes of evaluation and error correction.

The introduction of new and untested ideas into a massive, complex program such as the census carries great risks of unpredictable failures from which there is no recovery. There are no easy solutions that will offer immediate repairs for unanticipated problems. More-

over, it generally takes several separate experiments to validate new procedures; not everything can be tested at one time, and the experience in one test is brought forward in the next one. With so little time remaining before the 1980 census, there is not adequate opportunity to undertake the various steps in testing in order to have the necessary confidence in the new approach proposed by the bill. In our considered judgment we cannot afford the risks of adopting these untested procedures at this late date.

H.R. 8871 would also introduce serious rigidities in census operations which we believe would be counterproductive in 1980.

First, some of the timing requirements in the bill seem most undesirable and they suggest that the complexity of the planning and testing program is not well understood. For example, a dress rehearsal early in 1978 as currently planned, would be prohibited by this bill. Instead, a dress rehearsal would have to be scheduled for November 1978 or later.

The value of a dress rehearsal at that time would be very doubtful because the printing of final 1980 forms and materials must begin early in 1979. Furthermore, taking a dress rehearsal census in November or December 1978 would be severely hindered by the national election and the Thanksgiving and Christmas holidays.

Second, fixing by law the census questions would prohibit any changes to questions in the 100-percent enumeration without a new act of Congress. The questions permitted by the bill do not take into account information needed for many program and planning purposes, particularly housing statistics for small areas.

On the other hand, under section 143(b)(2)(c) respondents could be burdened with items added to the questionnaire at the discretion of the Division of Evaluation without testing or demonstration of need.

Three, provisions on temporary field staffing and publicity are far too rigid, since they eliminate the ability to adjust these requirements according to priority issues or areas and within the resources available.

In our judgment, some of these requirements would also add substantially to the costs of the census. We have estimates that at a minimum the additional cost of H.R. 8871 to the decennial census would be \$100 million. But it could range as high as \$400 million, more than the present projected cost.

Four, statistical techniques for evaluating the census and calculating errors, which are specified in this bill are inflexible and in some instances not in accordance with accepted scientific methods, and yet they are required according to this bill.

A major provision of H.R. 8871 would require the separation of the 1980 census into two almost independent operations for the basic enumeration and the sample survey. This would, in our judgment, result in: one, an increase in respondent burden; two, a reduction in the public's willingness to cooperate; three, a decrease in the quality of the data; four, substantial cost increases; and five, serious delays in releasing information on social, economic, and housing characteristics of the population.

The bill would require that the basic enumeration be completed in a geographic area before the sample work can be started, and would fix by law, the details of how the sample would be designed.

We foresee major cost increases primarily in preparatory and field operations because of these requirements. For example, followup work would have to be conducted twice instead of once, and months apart. Additional efforts would be needed to hire, train, and maintain an adequate staff over the longer period of time.

There is no basis for concluding that this separation of activities would bring about greater public cooperation in the basic enumeration, but there is a strong possibility that cooperation in the sample would suffer seriously. It is questionable whether everyone in the sample would respond fully to a second demand on their time. Having already been counted in the census, we can expect, Mr. Chairman, that people are likely to reject the second census inquiry, particularly since they will now be asked to fill out a long-form questionnaire.

I believe that our present plans are designed to take an accurate census, reduce undercount, and respond to other important concerns with the census for several reasons:

First, we did not develop these plans in isolation from those who will be affected by them; they reflect the most extensive input from individuals, organizations, and governmental bodies that we have ever attempted. Our plans have also been subjected to the actual test of experience in various parts of the Nation.

Second, there are several areas of concern that we are exploring and where final decisions have not been reached. These include the overall program for publicity, organized efforts at the community level, and the extent of involvement by local governments during the review of preliminary census counts.

In fact, Mr. Chairman, this legislation could work against local review of preliminary census counts because these counts could not be released to anyone until the results of the evaluation were completed by the Division of Evaluation.

Third, the plans call for greatly expanded programs compared to the last census, directed toward coverage improvements. These include publicity targeted toward minority and other special groups, the involvement of local community organizations in educating people about the census and encouraging their cooperation, and more extensive canvassing and listing operations to insure more complete and more accurate coverage of housing units. A number of these efforts are based on the results of comprehensive evaluation studies of the 1970 census.

The costs of the census will be higher as a result of these efforts to achieve a more complete and a more accurate census.

Mr. Chairman, I have only indicated some of the weaknesses in the bill's provisions for the 1980 census. Among other weaknesses, for example, is the fact that 4 months after the dress rehearsal, a prohibition on any further changes in content or procedures takes effect. If there were some major and compelling circumstances that required last-minute changes as has happened in previous censuses, this prohibition would appear to leave us with a serious impasse, and perhaps even no procedures at all. We cannot operate on the basis that somehow it will be worked out at that time.

DETERMINATION ESTIMATES

Section 185 of the bill contains a detailed and inflexible procedure for reviewing and correcting estimates which are defined as "determination estimates" in the bill.

The Census Bureau now prepares population estimates, together with estimates of per capita income for more than 38,000 units of local government. The bill would permit these data to be challenged within 60 days of publication by a State or local unit of government; the Division of Evaluation is given 110 days to consult local information regarding the estimate and report its findings to the Congress.

The Secretary is required, for each estimate, whether challenged or not, to include an estimate of underenumeration or reporting error in such estimate. If the Division of Evaluation specifies an error in an estimate, the Secretary is given 10 days to rectify the alleged error and notify all data users.

Since determination estimates are defined to include estimates of characteristics of the population, these provisions would apparently apply also to per capita income estimates used by the Treasury Department for revenue sharing, unemployment estimates used by the Department of Labor, housing data used by the Department of Housing and Urban Development for its various grant programs, and unemployment data used by the Department of Commerce for distributing funds through its Economic Development Administration.

These provisions call for an integration of determination estimates with estimates of underenumeration and reporting errors which is beyond the current state of the art. Although the bureau is investigating very intensively the possibilities of adjusting subnational data for the undercount, no viable methodology has yet been devised that can accomplish this purpose equitably and accurately for the many small areas involved. In addition, the provisions of the bill place the responsibility for reviewing determination estimates outside the control of the Bureau and the Department and too close, in our view, to those impacted by the numbers. For example, the Secretary is required, within 10 days, to "rectify an error" with no apparent recourse to determine whether the alleged error is real.

The provisions of this bill are, in our judgment, most rigid and unnecessary, since the procedures already in place accomplish the basic purpose—to permit estimates to be challenged, reviewed, and adjusted as appropriate.

In the area of population estimates, more than 10 years ago the Bureau established a Federal-State cooperative program through which the States prepare county population estimates in accordance with the state of the art. Several States also prepare estimates for cities and towns, and the Bureau uses these results in conjunction with other methods to construct a "best" estimate from one or more methods. These methods take into account locally available information pertaining to housing units, school enrollment, and other factors.

In all cases where the estimates are to be used for the allocation of general revenue sharing funds, a period of time is allowed for local challenges. The Bureau then reviews its data again, considers additional local information, and adjusts its estimates when errors are found or better information becomes available.

For example, the 1975 estimates prepared for the latest entitlement period for general revenue sharing, generated approximately 700 challenges. After review, about 15 percent of the estimates were adjusted.

The most difficult problems occur when the best estimate for a place, on the basis of the available methodology and data, falls well short of local expectations, and the Bureau is unable, without sacrificing standards and consistent treatment for all areas, to make an adjustment that will satisfy those expectations.

We do not believe the provisions of the bill will overcome these problems, at least not without substituting biased judgments for objective, professional work.

Our methodology for compiling population estimates is open to scrutiny and has been evaluated comprehensively by independent experts. Furthermore, the statistical data for each geographic area are also completely open to scrutiny and review.

We would certainly agree that the overall program is subject to improvement, including more intensive communication with the local governments that will be impacted by the data. For example, we are exploring whether a cooperative program with at least the larger cities and counties could be undertaken which would parallel the cooperative program with the States.

These efforts should be permitted to continue without fixing precise mechanisms into law which are both impractical and inappropriate.

EVALUATION

Other features of the bill deal with evaluation, a necessary part of any statistical program. Ideally, every program should have the resources to carry out extensive evaluation, and we would welcome a stronger recognition that evaluation should have high priority in resource allocation.

The Bureau has long been in the forefront, Mr. Chairman, of both methodological and applied research. We pioneered in evaluation of our own work long before there was much outside interest in this activity. And we have faithfully and consistently reported the limitations of data.

The mandatory separation of the Division of Evaluation from the Bureau's necessary research and evaluation will result in wasteful duplication of effort, staff and funds. The requirement that the Secretary cannot initiate any data collection activity until the Congress is so notified, and the Division of Evaluation has published a plan for evaluation, would introduce confusion into the scheduling of such activities and enforce delays not within the control of the Secretary or the Director.

Finally, prohibiting the release of data until the Division of Evaluation has issued its report would seriously handicap, if not render impossible, our current statistical program which provides the weekly and monthly economic and social statistics so widely used.

I also cannot fail to note that these provisions would make it impossible for the Bureau to react to special, unanticipated needs for "quick response" data collection.

CONFIDENTIALITY AND PUBLIC TRUST

This bill would erode the confidentiality of personally identifiable information first by permitting State and local officials to inspect such information in the event of a disagreement on a determination esti-

mate, and second, by granting similar access to confidential information for audits conducted by the Congressional Research Service and the General Accounting Office.

Most disputes regarding the accuracy of determination estimates can be resolved by a careful analysis of aggregate information without recourse to personally identifiable information. When matching of Census Bureau individual records with local information is necessary, the Bureau conducts the detailed analysis to preserve the confidentiality of the records. The Bureau's objectivity and competence in this area has not, to my knowledge, ever been challenged, although there may have been disagreement about the results.

The General Accounting Office has audited numerous Bureau programs over the past few years and has been given full access to non-confidential materials. We have not seen any GAO reports on Bureau work that even suggested that access to personally identifiable information would enhance its analyses.

Local officials are primarily interested in whether the Bureau's listings of housing units accurately reflect their own knowledge of where people live and how many live in various parts of the country. Comparisons of locally prepared data for specific blocks or other areas within the city with Census Bureau data serve to reveal any discrepancies and permit corrective actions to be taken by our field staff before the closeout of the enumeration.

The key issue is one of preserving the public faith and perception that access to confidential information is extremely limited and then permitted only when absolutely necessary. We believe that the extension of the access privilege to a potentially large number of individuals outside the Bureau would erode public confidence in the Government's ability to preserve confidentiality and would have corresponding adverse effects on the extent of public cooperation in censuses and surveys.

Title 13 now authorizes the Census Director to utilize as sworn temporary census workers, such individuals as he determines can assist the Bureau in its work. For example, employees of other Federal agencies that have specialized skills which are not available within the Bureau are employed on specific projects to assist us in the work performed under title 13 authority.

Other individuals are occasionally permitted access to data files when they are also utilized on tasks which will enhance our census and survey designs and analyses. These tasks are identified through contractual arrangements and are subject to my direction and control.

These arrangements have helped the Bureau to perform its mission, have not led to any confidentiality problems, and are extremely specific and limited in scope. They meet the need-to-know principle. They have never been extended on an authorized basis to local Government officials, or to Federal employees engaged in investigative or regulatory functions, or to members or employees of the congressional or judicial branches of the Government.

The risks of going beyond present policy, as proposed in the bill, are, in our view, very serious risks and unnecessary ones.

CONCLUSION

In concluding, Mr. Chairman, I should like to emphasize the need for your personal and most thoughtful attention to the ramifications of this bill. If the plans embodied in the bill should fail in one way or another.

there is no short-term or inexpensive recovery. For the 1980 census, the Nation would be forced to do without critically needed information, and the price in poor programs and decisions will be high and obvious.

If the approach to evaluation proposed in the bill should prove unworkable—and we believe it would—the prompt dissemination of many important Federal statistics would be seriously impaired.

If the public were to perceive—or misconceive—that elected officials may influence the data that affect the flow of Federal funds, the integrity of Federal statistics would be irreparably damaged.

At the same time, Mr. Chairman, we recognize and share the concerns for more reliable statistics and a successful 1980 census. I believe we can address these challenges without legislation, by working with Congress, local government officials, and other interested groups and individuals.

I can assure this subcommittee that I am personally dedicated to achieving progress in these important objectives and that the Census Bureau will expand its efforts in this direction.

Thank you, Mr. Chairman. We will be glad to try to answer any questions.

Mr. LEHMAN. The bottom of page 12, that “they have never been extended on an authorized basis to local government officials,” this doesn’t conform to a letter that I have from Solomon Lowe from Salem, N.J. This is from Salem, N.J., and he says:

Prior to our visit, Mr. Baker and myself were sworn in as special agents authorized to preserve the data collection procedures used.

And that is a GAO employee, so that it is—other people did get to see these and it is not under certain conditions.

Mr. PLOTKIN. When is that dated?

Mr. LEHMAN. 1975.

Mr. PLOTKIN. 1975.

Mr. LEHMAN. Then I just want to run past you a couple of things.

You made certain assumptions, that the two-stage would increase from 100 million to 400 million. You know these are certain objections—I don’t know where the data is coming from, I don’t have the correlation of these estimates, but I do know and I can find out that the pretest census for 1970 census. And the pretest census for the 1980 census that are taking place now are running somewhere, based on Camden and Oakland—Oakland isn’t completed yet—the best of the hard data that I can see are running somewhere around 12 times what the same pretest cost 10 years before.

If you take that projection and superimpose it on what the 1970 census cost, and try to intimate what the 1980 census is going to cost, the 1980 census can run over \$2 billion.

Mr. PLOTKIN. It is unfair to take that projection, Mr. Chairman.

Mr. LEHMAN. What I am trying to do is use the old arithmetic thing, A is to B, as C is to D. So, A being a pretest of the 1970 census, and B being the pretest for the 1980 census, and you take that correlation and you put it up there on C, what the 1970 census cost, and then figure what the 1980 census is going to cost, it has got to have some relationship.

Mr. PLOTKIN. The 1980 census will certainly cost more than the 1970 census for several reasons:

In the first place, you have inflation.

Mr. LEHMAN. I am talking about the 1980 pretest is costing approximately—I can find out—12 times what the pretest cost for the 1970 census. If the same differential between the pretest cost is going to apply to the decennial census cost, the 1980 census will cost approximately the same relationship.

Mr. PLOTKIN. There is no way the same differential will apply, sir.

The cities selected for a pretest for the 1980 census were selected because of their unusual difficulty.

We also have tested a number of techniques for coverage improvement in that area.

The application of 1980 pretest to 1970, and then projecting it to the 1980 census is not an accurate projection. We do have good estimates of the 1980 census costs. They will be higher than 1970, but we can show from the experts who work on the census, that H.R. 8871 will increase those costs.

Mr. LEHMAN. Mr. Solarz is going to come back to ask you some questions. I will just keep it going in the meantime.

The thing that concerns me, this thing that we did, the untried and the untested, tried to take the two-stage and put it into—I forgot the exact words you used, but trying new methods at this time. Two things—one is that they are not entirely new. But what bothers me is that in at least one of these pretest censuses, and you had approximately three of them, that you didn't try this two-stage.

And even 1975, as you know—and I can quote from the GAO recommendation:

In our report we have made two recommendations which we believe may help accomplish a better count in 1980.

Because we believe the expanded use of the mailback technique increases emphasis on respondents, first, a short and simplified form dealing with a count of the population; and second, a more detailed form dealing with questions of supplementary data.

Now this is something that the GAO recommended back in 1975 that you try, and yet in none of the pretests that I know of, did you really implement this on even a test basis.

So the statement, in a sense is that we are trying to get you to do things in the decennial census that you haven't tried in the pretest, the things that I think you should have tried that were recommended by the GAO that you try and that were used in 1970 to some extent to expedite information.

And these are the kind of things that give me problems now.

I think neither one of us are trying to do anything to "get" census. I was on the committee last year, I wasn't chairman, but I came on this year as the chairman, and got this information. I didn't want to be the chairman of the subcommittee that was running head on into a brick wall of the 1980 census. We really are trying to work with you to not have these problems that became so apparent from the pretest.

I know it is going to be tough to make changes in an organization such as yours and to move in the kind of way to try to correct some of the wrongs, abuses or problems which you ran into.

And it seems to me that we are trying, and you are trying, and there ought to be some way that we could coordinate our effort to get a better census, something that will not project some of the real

problems and real unhappiness that we found in Oakland and Camden into the final go around in 1980. I am just trying to avoid this kind of—I don't want to be there as I said a short while ago, when the roof falls in.

Mr. PLOTKIN. Since the evaluation studies of the 1970 census, the Census Bureau has adopted a number of programs which it has tested in those cities that you mentioned to avoid the same enumeration problems. As a matter of fact, that is a major factor in the increased cost in 1980 versus 1970.

So programs are being conducted, tests have been conducted, and there really is no indication that the tests, for example, in Oakland, have not been successful because the mail response rate was somewhat lower than the 1970. We expect the enumeration in Oakland to be quite good. The mail response is only the first wave of an enumeration, as you understand. After the mail response, there are followup enumerative techniques to get a complete count.

Mr. LEHMAN. As you said, the Oakland test is not completed yet. But the Oakland test is also—compared to any other pretest in the previous years, I think you did a pretest in Hartford in 1970, and also in Dayton—was it Dayton? It was Hartford and Dane County, Wis.—oh, New Haven, which is not that much different—and Cleveland and Louisville, and all those pretests were cities not that much different than Camden and Oakland.

You can't compare apples and oranges, but basically the mail responses and incomplete forms was an awful lot less back in those days, than the forms that people have written out, similar forms, although sometimes more complicated forms.

So you testified before the Appropriations Committee, the real expensive part of this whole data collection is using the enumerators to complete your mailout data back, and the high rate of the Oakland test is the high rate of incomplete forms. The low response to mailback is really escalating your cost out there.

Mr. PLOTKIN. But what the bill would do, Mr. Chairman, is require that we send the enumerators back twice, once for the enumeration, and once for the sample collection. Field costs would be much higher for the technique proposed in this bill than presently planned.

Mr. LEHMAN. Of course the enumerators are very short—if you do it in this two-stage I think the amount of return will be very much greater, and then your other would be strictly a sample. And I don't think the amount of enumerations we would have to send out in the sample would be all that heavy.

But these are assumptions.

Mr. PLOTKIN. Yes; these are assumptions. We have no evidence that the mail response will be higher.

Mr. LEHMAN. This stands as the No. 1 priority we have, to count people. The best way to count people is to make the test two stage, where the first forms are very easy to fill out and very easy to mail back and it won't take a lot of manipulation, I don't think to follow that one up.

But I do sympathize with you, and I think this committee is, in its analysis of this bill, not trying to vulcanize the Census Bureau.

I had reservations about that in the beginning. I think we are

working on that in a better way. If we can do any kind of routines to make the changes on this, the evaluation will not make your job any more difficult within your organization.

That is about all the questions I have.

I might like to study your statement a little more carefully, and if you would, I will submit some questions in writing and try to get them back before we finally draft this bill and into the testimony. Then we will see if we can't come back with something we can both live with.

Mr. PLOTKIN. We would be pleased to respond to your questions.

Mr. LEHMAN. You have the estimates for your 1980 costs, and you are talking in terms of—the figure here, is that in terms of 1970 dollars, or 1980 dollars?

Mr. PLOTKIN. The figure here?

Mr. LEHMAN. What is your projected cost?

Mr. PLOTKIN. We have it in terms of 1980 dollars.

Mr. LEHMAN. And that is what, now?

Mr. PLOTKIN. Our best estimate of the costs of the 1980 census is between \$800 and \$900 million.

Mr. LEHMAN. And that is in 1980 dollars; 1980 dollars?

Mr. PLOTKIN. That is in 1980 dollars.

Mr. LEHMAN. And even with the amount of the enumerators that you have, even with the amount of incompleting questions and amount of incompleting of mail return and lack of mail return, you think that is a pretty accurate—

Mr. PLOTKIN. Yes; that takes into consideration the experience of test cities. The errors to which I refer in the mail return are generally editing errors where the respondent has failed to fill out one or two or three entries. And 90 percent of those errors are corrected by telephone.

Jim, do you have some questions?

Mr. LEACH. I do. I might just take a minute.

I think this Division of Evaluation could provide a very important service. Frankly, as a new member of this committee I sense the exasperation of Congress with the Census Bureau. I know at least in one instance, I have had what I thought was a very good idea, and Census didn't receive it with overwhelming enthusiasm. But I must admit that we in Congress are probably plumb full of good ideas that maybe shouldn't be treated too seriously.

[Laughter.]

I would be deeply opposed to moving a Division of Evaluation closer to the Congress of the United States, and in some respects, even to the executive.

The Census Bureau is an entity unto itself. In spite of all the exasperating features of "the inbreeding" that appears to occur, I think it is important for confidentiality, as well as for a lot of other reasons, to maintain an independent posture.

I am more concerned with the integrity of the Census than I am with specific content. Mr. Plotkin's reference to the effect of conceptions and misconceptions is a very important one. If we have a census policy which appears to be drawing closer to politics, or if it looks as if confidentiality will be violated, we are going to have severe response problems in this country. I personally think that whatever happens

in the 1980 census, the census itself will be open to tremendous controversy. I do not envy your position in this respect, Mr. Plotkin. You are facing a completely no-win proposition.

With further reference to the confidentiality aspects of this legislation, I think we are safer erring on the side of conservatism and consistency, than we are erring on the side of an untested approach which may move census taking further from Census Bureau control.

Finally, I am particularly distressed by the possibility—which the testimony from Commerce points out well—that passage of this bill may cause a breakdown in executive-legislative relations. I do not believe that the GAO is an appropriate place to posit a Division of Evaluation. Administration is entirely outside the realm of what Congress should be doing. Any tie with GAO in this regard could have catastrophic consequences.

Having said that, it is clear that the intent of this legislation is to deal straight forwardly with some problems that are becoming very serious in the American system, namely a lack of desire for people to want to be accountable to their Government, as well perhaps as vice versa. I think that this lack of desire to be counted relates directly to the fact that the Government isn't very accountable to the people themselves.

But whatever the relationship, there is a strong case that might well be made for simplification, for shortening the causes, and possibly for greater use of sampling techniques.

I would be doubtful however, that census changes of this magnitude should be approached on legislative basis. It should be something on which the Census Bureau could work with the committees involved. Hopefully we can open enough minds that legislation will not be needed.

I have no further questions but would like to reserve some questions for later.

Mr. LEHMAN. Just one or two.

We will get back to the costs for a few minutes. This is one, kind of thinking in terms of what you say the costs are going to be.

In 1980 your response rate was about 80 percent—I mean 1970. And in 1970 the pretest response rate for New Haven was 78, Louisville 85, Cleveland 67. So the response rate in the decennial census was not that much different from the response rate in the pretest.

Now in the cities that you are doing the pretest, the response rates were running, at least in Camden and Oakland and I don't know what it was down in Texas—

Mr. PLOTKIN. Seventy-six percent for Travis County, Tex.

Mr. LEHMAN. Seventy-six percent in Texas in the two cities, the other two cities—so if the response rate were that closely related in 1970 to the pretest, and you can make the assumption that the response rate is going to be that closely related in 1980 to the pretest, then the amount of going back and editing and redoing is going to run a lot higher than it did in 1970—higher in the estimates for 1980.

I just wonder whether you are taking these kinds of things into consideration.

Mr. PLOTKIN. We certainly have been taking them into consideration, Mr. Chairman.

As I pointed out, the cities that were selected for the 1980 pretest have severe enumeration problems, particularly Camden and Oak-

land. The mail response rate for those cities versus the mail response rate for Travis County, illustrates how the difference in the makeup of the city can affect the response rate.

For example, we had a 50 percent higher mail response rate in Travis than we did in Camden.

Again, I point out that the mail response is only the first phase of the census enumeration. There are followup phases also for a complete count.

And in fact, a mail response rate lower than we would like does impact on cost and has been taken into account in determining our cost estimate.

Ms. SLATER. Mr. Chairman, if I may add a word, we are not trying to deny that the 1980 census is going to be very expensive. It is. I will be a very unpopular individual by the time we get through coming up to the committees of Congress and asking for money for it.

But the point to make in connection with his bill is that in my judgment, and the judgment of those with whom I have consulted, we see very little prospects of anything in this bill that would reduce that cost. We see some prospect of seriously increased costs. If something is already very expensive, it doesn't help to increase the cost.

This requires that we go to up to some 40 million respondents with the second sample survey. And we cannot take lightly whether or not we get complete responses on that sample survey, because that will be the source, under the system envisaged in this bill, of income estimates for use for revenue sharing, for example, and many other things which have legal purposes with which we are faced.

It seems to me that commonsense would seem to tell you that the second time you go back to a person within a period of 3, 4, 6 months or whatever it is, when you say yes, I know I counted you in April, and here I am again in August, I need your name again and I need you to fill out all this other stuff, they are not going to want to do it. It is going to be hard to get that response. We are going to be in the field a long time and it is going to be very costly.

That would be my commonsense judgment. Obviously, I can't prove that because we haven't tried it.

Mr. LEHMAN. I just wanted to go back to that 874 million. On what kind of response rate is that predicated for 1980?

Ms. SLATER. The bill requires a sample survey—

Mr. LEHMAN. I'm sorry, let me address this to Mr. Plotkin.

Your estimate for the cost of a 1980 census has to be predicated on an estimated mail response rate, because the main cost is the followup to the ones that didn't respond.

Now you had 80 percent response in 1970. What do you think—what is your estimate for your mail response to be in 1980? Of course you can't estimate your cost without estimating your response.

Mr. PLOTKIN. Dan Levine, I think, has the data in terms of expected mail response rate.

Mr. LEVINE. You will recall that in 1970, Mr. Chairman, we got an 87-per cent response rate, combined for both short and long forms.

Our estimates for 1980 are based on something less than 80 percent, slightly less than 80 percent.

Mr. LEHMAN. Somewhere around 78 percent?

Mr. LEVINE. Between 75 and 80 percent.

Mr. LEHMAN. Well you are expecting a 75- to 80-percent response rate for the 1980 census, projected into dollar costs of \$870-some-odd million.

Mr. PLOTKIN. That is correct.

Mr. LEHMAN. And if your response rate falls below that, then, of course, your dollars are going to go up.

Mr. PLOTKIN. That is correct.

Mr. LEHMAN. And you are hanging your hat on that 75- to 80-percent handle, basically?

Mr. PLOTKIN. That is correct. That is lower than the mail response rate in the 1970 census, and that is our best estimate going into the 1980 census.

We think that is a good estimate.

Mr. LEHMAN. Mr. Solarz, I am going to have to excuse myself. Will you take the Chair for the balance of the questions?

Mr. Leach, thank you.

Mr. SOLARZ. Mr. Plotkin, is there anything you like about this bill? [Laughter.]

Mr. PLOTKIN. I fully support the objectives, Mr. Solarz [laughter] and feel those are our objectives, also.

Mr. SOLARZ. I didn't ask it facetiously, although it may have come out that way.

But in all seriousness, this is a lengthy bill. It is a complex piece of legislation. You have indicated you have very serious problems with many of the key, critical provisions in the bill.

But, are there any sections of the bill which you find acceptable? Or which you could live with?

Or, for that matter, are there any sections of the bill that you think would constitute an improvement over the status quo?

Mr. PLOTKIN. The major provisions of the bill, the ones I focused on, were those I could see causing considerable problems. And therefore, there were no particular provisions of the bill which I could support since in my view they are restrictive to Census Bureau operations.

Mr. SOLARZ. Let me make, if I may, a constructive suggestion to both you and Ms. Slater, because I must tell you that in a number of respects I found your respective testimony not terribly helpful.

I gather it is the intention of the chairman to proceed with the markup of this bill, and I gather it will be made on a section-by-section basis. Throughout your testimony your objections are replete with vague references to problems with this, or difficulties with that. The testimony lacks the kind of precision which those of us with the responsibility for marking up this legislation need if we are going to do more than just respond to it on a negative basis.

And I think, from your point of view, it would be a very serious mistake to simply assume that the committee will be so persuaded by the thrust of your presentation that it will categorically reject the bill.

Consequently, I think it would be very helpful if the two of you individually or collectively, could submit a detailed section-by-section analysis of the bill indicating precisely what objections you have to each section, and where appropriate, what changes in the language of the bill might alleviate your problems with it.

As I read your testimony, there seemed to be a number of instances where problems to which you pointed could be dealt with, not necessarily by rejecting the bill outright, but by adding language to that particular section.

I think it would be prudent to proceed on the assumption that it is entirely possible the committee may report out a bill. If it does, we obviously ought to try to get a piece of legislation which minimizes or eliminates the problems.

So if you could do that, I think it would be helpful.

Mr. PLOTKIN. We do have a detailed analysis underway. As a matter of fact, one major part of it is completed. We did not feel it was appropriate to spend the time to discuss that at these hearings.

But we will complete the analysis that you suggest.

Mr. SOLARZ. How soon do you think you could get that to us?

They are planning markup within the next 2 weeks. And, at least as one member of the committee, I would like an opportunity to evaluate your concerns and make my own determination. I am sure the other members of the committee would, as well.

Mr. PLOTKIN. We can have a full analysis completed.

Mr. SOLARZ. How soon do you think you could get that to us? They are planning markups within the next 2 weeks. And obviously, at least as one member of the committee, I would like an opportunity to evaluate your concerns and make my own determination. I am sure the other members of the committee would, as well.

Mr. PLOTKIN. We can have a full analysis completed within a week.

Mr. SOLARZ. I think that would be most helpful.

[The information requested was furnished in a letter dated September 20, 1977, from C. L. Haslam, General Counsel of the Department of Commerce, to the chairman of the Committee on Post Office and Civil Service; a letter dated September 29, 1977, from Manuel D. Plotkin, the Director of the Bureau of the Census; and a letter from Courtenay M. Slater, Chief Economist of the Department of Commerce dated September 29, 1977, to the chairman of the subcommittee.]

U.S. DEPARTMENT OF COMMERCE,
CHIEF ECONOMIST FOR THE DEPARTMENT OF COMMERCE,
Washington, D.C., September 29, 1977.

HON. WILLIAM LEHMAN,
Chairman, Subcommittee on Census and Population, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Kreps is out of the country this week on an official mission to Korea and Japan. However, I am confident she would want me to let you know of her determination that the Department of Commerce redouble its efforts, not only to insure the success of the 1980 Census of Population, but also to meet the other serious concerns which we all share regarding the ability of the Federal Statistical System to meet the rapidly expanding demands placed upon it by increased reliance on statistical estimates for the distribution of Federal funds and for other program purposes.

The Administration's view that legislation at this time relating to procedures to be used in the 1980 census is neither necessary nor desirable has been communicated to the Subcommittee. Nonetheless, the hearings and discussion relating to H.R. 8871 have served to heighten awareness of various statistical problems which deserve to be addressed promptly. In this regard, the Director of the Census Bureau is writing to you describing specific substantive areas of concern regarding which the Bureau intends to undertake an intensive review of its present policies and procedures. I want to assure you that these initiatives by the Bureau have been reviewed at the departmental level and that the Department fully supports the Bureau in this undertaking.

While there is much that the Bureau can do to strengthen its programs, I think you would agree with me that many of our concerns stem not so much from the quality of the statistical estimates themselves but from the increased use of these estimates in formulas governing the allocation of Federal funds. This is an area that lies outside the direct purview or control of the Census Bureau, but one to which the Department of Commerce, with the help of the Congress, can make an important contribution.

I am sure you are aware that, pursuant to the President's recent reorganization plan, the responsibility for developing and coordinating Federal statistical policy shortly will be transferred from the Office of Management and Budget to the Department of Commerce. At the same time, a cabinet-level Statistical Policy Coordinating Group, chaired by the Secretary of Commerce, will be established. Thus, the framework will exist for focusing cabinet-level attention on this important question of statistical formulas for fund allocations. Interagency study of this question by the Federal Committee on Statistical Methodology already is well underway. The many complex questions relating to the equity and effectiveness of current and proposed distributional formulas now need to be addressed systematically through a joint effort by Congress and the Executive Branch. If the new Statistical Policy Coordinating Group can sponsor such an effort as one of its first acts, important progress can be made toward alleviating the problems and frustrations which result when the statistical data base is not adequate to support an elaborate program design. I hope we may count on your support in such an undertaking.

In closing, I must respectfully reiterate that I believe that the concerns we share can most effectively be addressed without new legislation at this time.

Sincerely,

COURTENAY M. SLATER,
Chief Economist, Department of Commerce.

GENERAL COUNSEL OF THE
UNITED STATES DEPARTMENT OF COMMERCE
Washington, D.C. 20230

SEP 20 1977

Honorable Robert N. C. Nix
Chairman, Committee on Post Office
and Civil Service
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your request for the views of this Department on H.R. 8871, a bill

"To amend title 13 of the United States Code to establish a decennial census procedure, and for other purposes."

The Commerce Department strongly opposes this bill which fails to satisfy stated purposes, which would seriously hamper the present ability of this Department to collect accurate and timely social and economic data, and which threatens the integrity of and public trust in the Federal statistical system.

Section 2 of H.R. 8871 is a statement of the findings and purposes. The Department does not argue that the intent of the bill is objectionable. The record of Census Bureau activities over the past 35 years is consistent with those objectives and there is much evidence of steady progress toward reducing the imposition on the public in the collection of decennial census information, obtaining more accurate decennial census statistics, improving the intercensal estimates program, expanding evaluation activities, and informing the public of our procedures, products, and services. We recognize, however, that there is more to be done, and the Administration intends to see that new effort is devoted to improving the current situation.

Section 3 would amend subchapter II of chapter 5 of title 13 relating to the population and housing censuses.

Section 4 contains provisions which relate to all other activities and surveys undertaken by the Census Bureau.

Section 5 would add new provisions to title 13 requiring the establishment of a Division of Evaluation, the activities of which would affect every statistical program of the Census Bureau, and consequently the statistics themselves.

Section 6 would add to subchapter I of chapter 5 the authority for the Census of Agriculture which is currently under subchapter II.

The various provisions within each major section of the bill are too interrelated to permit detailed comments on each and every provision. The serious impact of the bill can be better understood when comments are presented by subject. Consequently, our comments are organized by subject rather than by proposed sections.

Section 3 -- Decennial Census

This section of the bill would substantially alter the procedures now planned for use in the 1980 Census of Population and Housing. Though innovative ideas are encouraged, the major changes to basic enumeration procedures contained in H.R. 8871 have never been tested, and it is too near the 1980 census date to begin thoroughly testing them. An undertaking as massive and critical as a decennial census simply cannot be conducted utilizing untested methodology. Of further concern is that the bill presents no proven, or even promising, methods of reducing the undercount, but suggests procedures which would increase costs, lead to delays in publishing data, and result in data inconsistencies and a degradation of data quality.

Existing section 141 of title 13 authorizes the Secretary to conduct the decennial census in such form and content as the Secretary may determine. The total population counts by States are to be reported by the Secretary to the President 9 months after the census date, as required for the apportionment of Representatives in Congress. Data for legislative apportionment or districting of each State is to be reported within one year after census date. Section 193 provides that the Secretary may make surveys and collect such preliminary and supplementary statistics related to the main topic of the census as are necessary to the initiation, taking, or completion thereof.

As amended, section 141 would remove the discretion to conduct the census in such form and content as the Secretary may determine and would require that the census be taken by the Secretary in accordance with the proposed new provisions. The remaining existing subsections of 141 relating to the mid-decade census, the use of mid-decade census data, and the report to the Congress on census content remain unchanged but have been renumbered as separate sections.

New section 142 would establish a decennial census period and would vitiate the flexibility and authority provided the Secretary in 13 U.S.C. 193 to determine when census-related activities will be conducted. The decennial census period would begin 17 months prior to the census date and end 3 years and 7 months after census date. No activities could be conducted with respect to a decennial census outside this period, except:

1. activities relating to the tabulations for the legislative apportionment and redistricting of each State,
2. publication of results and the evaluation results from the decennial census, and
3. testing of alternative procedures for conducting such census and other planning and experimental activities.

This would restrict the decennial census dress rehearsal to a period which may not be consistent with the timing of the actual census and which would not permit enough time to evaluate the results and make modifications for the census. Furthermore, if the census were to be conducted, in accordance with this legislation, as discrete operations for the 100-percent and the sample, the dress rehearsal time period would have to be extended in order to run realistically through all the procedures for taking a multistage census

The restriction on decennial census activities would preclude the Census Bureau from performing important phases of the decennial census work, such as working on detailed evaluation studies generally performed throughout the 10 year census cycle and the procurement of necessary space and equipment which must begin well before the decennial census period prescribed in the bill.

Section 142 would require also that the results of any testing or other activities conducted outside the decennial census period be reported to the Congress one year before the date of the trial census and during the year preceding the trial census. The report is to include an evaluation by the Division of Evaluation of each test with respect to the proposed questions, completeness of enumeration, and the procedures used. Because experimental censuses and surveys are designed in a way which limits the number of variables which can be studied, it is unreasonable to expect each test to provide answers relating to all these aspects. Each test usually focuses on a different aspect of the census--content, coverage, field operations, etc. To require that the same multiple factors be evaluated in each test ignores the value of conducting special-purpose tests to determine cause and effect relationships.

This section would also prohibit any content or procedural changes in a census from being made after the end of the 4-month period beginning on the date of the trial census. It is unrealistic to legally limit the time by which decennial census procedures must be frozen. First, the dress rehearsal may not be completed or evaluated by that time. Second, for unexpected reasons, changes may become necessary at any time up to the last minute and the Secretary must have the flexibility to make necessary adjustments as circumstances require.

Section 143 contains the provisions which would establish decennial census procedures. It would require that the decennial census be conducted in three separate phases--100-percent enumeration, sample survey of characteristics, and supplemental surveys, respectively. Each phase could not be started until the data collection for the preceding phase was completed and the housing unit count finalized. Although separating the enumeration from the collection of characteristics might simplify the process of determining population counts, it will not simplify any other decennial census procedures, nor will it necessarily make the counts more accurate. Moreover, there are major disadvantages in utilizing separate sequential stages.

By delaying the collection of social and economic data until the enumeration phase is completed, the publication of data on the characteristics of the population will be delayed well beyond the 1970 publication dates. Information collected once from respondents on the 100-percent form would have to be collected again from respondents on subsequent census forms, thereby, increasing respondent burden. The major impact of the national publicity campaign surrounding the enumeration phase would have ended by the time the sample survey started. Thus, the response rate on the sample survey portion might be very low with most respondents concluding that the enumeration phase is the only important part of the decennial census. The longer maintenance, or reinstatement, of temporary staff, space and equipment, and publicity, could add more than \$100 million to census costs.

Each phase is to consist of testing and other activities, the establishment of a list of housing units, persons, or households, which is to be the basis for the enumeration or survey; the collection of data from individuals, households, or records; evaluation by the Division of Evaluation; publication of results and the evaluation of the results. It is not clear whether these are intended to be the only activities conducted or merely particular activities to be included in the larger plan.

Subsection 143(b) relates to the enumeration phase of the decennial census. The major effect of this subsection is to limit the questions which can be asked in the 100-percent phase to a few basic items relating to people and houses and other selected items necessary to implement the plan for computational corrections and evaluation. It would appear that the Secretary may add items necessary to implement the correction plan and the Division of Evaluation may add items deemed as necessary to implement the evaluation plan (see "Content" below). This subsection would also grant the employees conducting the enumeration, including evaluation, access to administrative records of the Federal, State, or local governments, which are relevant to counting people or households notwithstanding any other provision of law.

Subsection (c) would limit the sample size in the survey of characteristics to the population in 20 percent of the housing units counted in the enumeration (see "Sampling" below).

Subsection (d) authorizes the Secretary to conduct supplemental surveys, as necessary, as part of the decennial census. This subsection would require the Secretary to undertake a survey when authorized by State law and absorb half the cost. The cost of this provision to the Government is unknown. Unless a very substantial contingency fund were appropriated to the Secretary for this purpose, there is no way that these supplementary surveys could be designed and implemented on a timely basis. Even without considering the additional time needed to obtain appropriations, most of the data from the supplementary surveys would not be comparable to the data collected in the previous phases, because these surveys could not be started until the data collection for the survey of characteristics was completed for the entire United States, which could be up to a year or more after the enumeration. In cases where a 100-percent census is to be repeated in an area as a supplementary survey, this represents at least the third time some respondents would have been requested to provide identical decennial census information. We would doubt that this level of reporting burden can be justified in any data collection activity. Furthermore, because the Secretary is mandated to conduct such surveys, it is unclear whether or not this activity would have priority over other statistical programs of the Department which are authorized but not mandated by law.

Content--The provisions of section 143 would literally strip the Secretary of the authority to determine the content of the decennial census. The impact of these provisions would be that the 100-percent items would be established by law, with any modification requiring an act of Congress. To collect information in the sample would require congressional approval. Sections 5 and 141 of existing title 13 U.S.C. provide the Secretary, through the Census Director, the authority to determine the content of the decennial census and other statistical activities. In practice, the Census Director, after extensive consultations with interested persons, including Federal, State, and local

officials, proposes a set of items for inclusion based on a set of objective criteria. The proposed items are then submitted to the Congress as provided in subsection 141(f) of existing title 15 and agreement is reached jointly. According to the amendments proposed, the decennial census enumeration would consist of the content items specified in the bill. The implication is that only a few items could be asked for every person or housing unit. The remaining questions usually asked in the decennial census would be considered for inclusion in the sample survey phase. Although subsection 143(c) authorizes the Secretary to determine initially the questions to be asked on the sample questionnaires, it also gives the Congress the authority to veto any proposed content item. The Secretary must resubmit questions until such time that the Congress approves.

It seems both unwise and shortsighted to fix precisely by law a portion of the census content at any point in time. Changes developing from compelling circumstances or national needs would require new legislation, the enactment of which is generally a slow, tedious process during which time testing activities might be halted. There would also be a strong temptation to add or subtract subject items on the basis of special purpose demands or criticisms.

Although it would appear that through this legislation the number of items being asked on a 100-percent basis is being reduced, if implemented, subsection 143(b) would permit an unlimited number of questions to be asked to determine a count of the population, to implement the plan for computational corrections, and to implement the evaluation plan. (It is our understanding that the intent of subsection 143(b) (2) (A) is to permit questions necessary to making an accurate count of the population.) These questions would be in addition to the items specifically listed in the bill. The end product could actually be a short form which is neither shortened nor simplified as the bill specifically intends.

At the same time, the list of required items omits certain critical data items planned for inclusion in the 1980 census:

- Questions used to determine whether the place where each person lives is a housing unit or group quarters (household relationship, housing unit delineation)
- Question used for preparing reliable estimates for General Revenue Sharing (total income in 1979)
- Questions used for determining housing and neighborhood quality for local area use (plumbing facilities, tenure, value of home or monthly rent)
- Others (vacancy status, marital status, population coverage questions)

We are extremely sensitive to the need to reduce and simplify reporting burden; however, by restricting the basic census content to only one question per item, the usefulness and quality of the information obtained in the 100-percent phase is severely diminished. For example, some items, such as age, require more than one question in order to obtain reliable data and by eliminating most of the housing items in the 100-percent phase, there is no longer any viable block statistics program. This does not appear reasonable at a time when the interest in data for small areas is growing.

Sampling--There is existing authority in section 195 of title 13 which permits the Census Director to use sampling, if feasible, to carry out the provisions of this title. Also, section 141(a) authorizes the Director to use sampling in the decennial census. This bill, while it does not prevent the use of sampling, impairs the Director's ability to employ sampling efficiently and wisely. Subsection 145 (c)(1) provides that the survey of characteristics shall be limited to the population of 20 percent of the housing units counted in the enumeration phase. It would require the entire population of any unit of local government of 500 persons or less and at least 500 persons of every other unit of local government to be included in the sample.

It is not clear whether the sample is to be drawn from only the population in 20 percent of the housing units or if it is to include persons residing in quarters other than housing units or with no fixed place of residence. As written, it would appear that the national sample would be a sample of the population in housing units, but for small areas the sample comprises all persons regardless of living arrangements. At the start, these differences would have to be reconciled and vacant housing units would have to be included in the sample in order to collect housing data. Also, if the Census Director is to fix the sample size at 20 percent nationally, then given the constraints regarding sampling in smaller areas, the sample size in larger areas would have to fall below 20 percent. If on the other hand, the sample size for each larger area is to be set at 20 percent, then nationally the average would exceed 20 percent. In any case, differential sampling has been considered by the Census Bureau in the past. It has not been adopted previously because the control problems in the collection, processing, and publication of the data cannot be reduced to a manageable level.

Subsections 145(c)(1), (d)(1), (d)(2), and (d)(3) would all require that samples be drawn for the survey of characteristics and for supplemental surveys from the list of housing units counted in the enumeration phase. This could require holding up the start of the sample survey phase until at least the final housing unit count is determined nationally, in late fall. Without the final housing unit count for the entire United States, the sampling scheme described in this bill is impossible. Problems would be encountered in reconciling the 100-percent information with the sample information because the composition of both the population and housing unit universes changes substantially over a 6-month period. Also, the reported characteristics of the respondents may change over time. The result is that the statistical data for a given area will differ with each publication because of actual or reporting differences.

Corrections in census counts--Proposed sections 144 and 14 would appear to relate to the assessment of error in the decennial census and the manner in which procedures are applied to correct the data.

Subsection 14(b)(3)(A) would require an evaluation report on the enumeration of the total population to be prepared and transmitted by the Division of Evaluation to the Secretary within 9 months of the census date. The report is to include an estimate of the magnitude of the undercount. The division would also be required to evaluate the procedures used by the Secretary to correct errors. The Secretary, in accordance with section 144, is required to prepare a plan specifying the procedures to be used by the Secretary for correcting errors in

the process of calculating the data collected in the enumeration and survey of characteristics. Since the plan is to include imputation and allocation procedures, procedures for correcting errors due to nonresponse to questionnaires, and due to persons missed (undercount), and other correction procedures, it is unclear as to how this activity is to be coordinated, if at all, with the Division of Evaluation. Are both the Secretary and the Deputy Director for Evaluation required to develop estimates of undercount during the 9-month period, with the Secretary applying one set of estimates to each unit of local government and the Division of Evaluation preparing another set to be released with the data adjusted according to the Secretary's estimate? To complicate matters, section 14 would require the Division of Evaluation to evaluate the Secretary's correction plan. It is our view that, in any event, information does not now exist which would enable the Census Bureau to develop an acceptable procedure for estimating the undercount for each unit of local government, let alone within the 9 month period following the enumeration date. We recognize that this has been the subject of much controversy and we are continuing to research and evaluate all possible methods for estimating the undercount for small areas.

Public cooperation--Section 147 would require the Secretary to seek the cooperation of States and units of local government in conducting the enumeration and to take into account their needs, with respect to the publication of results. Currently, the Census Bureau is making every reasonable effort to satisfy the data needs of State and local governments. Also, programs are being planned which would encourage local participation in decennial census publicity efforts. The Census Bureau has also established a local review program in which preliminary census counts would be reviewed for accuracy by local officials while temporary field staffs are still in place to take corrective action where justified. It appears, however, that section 14(e) would prohibit these activities (see page 17 of this report). These activities illustrate just a few of the efforts directed toward local areas. We believe this provision to be unnecessary.

Section 148 outlines a program which would provide information to the public about the decennial census. Specifically, it legislates how many public information specialists will be hired as well as a residence requirement. Furthermore, the bill would require the Secretary and television and radio stations to engage in specific publicity activities as stated. Public cooperation is, obviously, one of the most important elements in the success of a national census. The prescriptions in the bill to achieve this cooperation appear excessively rigid. There must be flexibility to direct resources on short notice to areas needing special attention or specialized efforts, and it cannot be assumed that the extensive use of prime time would not, under some circumstances, be counterproductive.

Also, it is undesirable to mandate specific activities requiring very large investments of public and private resources without fully assessing the potential effects of the effort. The same statement would apply to section 149 which relates to the hiring and training of supervisory personnel. Under that provision, large numbers of employees would be hired for the entire decennial census period at great expense, without any mention of exactly what this field staff would be doing for five years. District offices generally remain in existence for less than one year. Even under the multiple stage approach provided in this bill, it is doubtful that the offices would remain open for more than 18 months.

Section 4 -- Other Activities and Surveys

Determination estimates--According to proposed section 186, a determination estimate is an estimate, prepared by the Secretary, of the number or characteristics of the population which is derived from any data, including data collected for the decennial census, which is not produced as an activity of the decennial census period, and which is produced for the purpose of allocating Federal program benefits. Since this definition excludes results of an activity of the decennial census period, we interpret it to exclude the decennial census figures unless estimates are derived therefrom. By definition, determination estimates would include the mid-decade census results, interim current estimates produced under 13 U.S.C. 181 and/or 182, special censuses authorized by section 196 of title 13, and any other work done under 13 U.S.C. 8(b) on a reimbursable basis. Accordingly, the results of any census test conducted during the decennial census period would not be a determination estimate, nor would the results of any other pretest conducted at some other time. However, the results of both would be considered the most recent data available and would, in fact, be used for determining Federal program benefits. According to subsection 183(c), the use of the results of a census pretest conducted outside the decennial census period to determine the amount of benefit to an area may not result in a decrease in benefits to that area.

Proposed section 185 would require the Secretary to issue an estimate of underenumeration or reporting error for every determination estimate issued. Any department or agency using a determination estimate must take into account the estimate of error. If any State or unit of local government disagrees with the estimate and files a challenge within 60 days of publication, the Division of Evaluation shall analyze the disagreement. The division shall consult relevant local data provided by the State or unit of local government involved in the disagreement. Also, the officials of the State or local unit of government may have access to the data upon which the determination estimate is based, including confidential census returns and other personally identifiable information obtained by the Bureau from administrative records.

Within 110 days, the Division would file its report with the Congress and within 10 days, the Secretary would rectify any specified errors and publish corrected estimates. At the request of the congressional oversight committee(s), the Congressional Research Service would analyze any policy dispute arising from any disagreements.

The Division of Evaluation is responsible for evaluating determination estimates. Within 6 months after the date on which all compilation of data is completed, the division would prepare and transmit its evaluation report to the Secretary. The Secretary would publish the evaluation report, without alteration, in the Federal Register and submit the report to the Congress. Preliminary information relating to determination estimates may be released in advance of publication to the congressional oversight committees.

The Census Bureau is aware of the frustrations of local officials who are dissatisfied with the estimates produced by the Census Bureau and whose areas become subject to decreases in the amount of Federal program benefits received as a result of the Census Bureau data. However, the bill implies that the Census Bureau does not adequately consider challenges and complaints, and that a review mechanism must be established. Though more should be done with regard to informing the public as to how the Census Bureau handles any challenges and complaints about

estimates, the Census Bureau has not been deficient in terms of actually performing analyses of differences. For example, in 1975, 1500 challenges were received and reviewed in connection with estimates prepared for general revenue sharing purposes, and changes were made in one-third of the cases. The revisions were not published but the revised estimates were used by the agencies when determinations of benefits were made for a local area.

The Census Bureau also encourages additional involvement on the part of State and local governments in the preparation of estimates. The Federal-State cooperative program which was initiated by the Census Bureau is designed to coordinate the statistical estimation activities by the States and by the Census Bureau to assure that the estimation procedures are generally accepted by both the States and the Census Bureau. Because agreement and understanding is reached in advance, the estimates are generally acceptable. Most of the cities are not involved in such a program, although a few States have begun to involve local governments. For cities which have a professional statistical unit, the Bureau would be interested in trying to develop a cooperative program along the lines of the State program. Naturally any program involving thousands of units of government will take time to develop. Our first thoughts would be to try to initiate some activity through the States themselves. If this fails then a procedure would have to be established to deal with the individual entities. We view this approach which establishes a cooperative relationship with the local governments as superior to that proposed in the bill which puts the Bureau in an adversary position. Furthermore, we believe that local officials might be more satisfied with the estimates prepared if we take into account available reliable local information.

The Census Bureau has extensive experience in evaluating the quality of its estimates and publishing the evaluation results. The proposed procedure for evaluating the determination estimates appears to be unnecessary and unworkable. When applied to the population estimates programs, it would require a complete evaluation of the estimate for each area (38,000) upon completing the preparation of the estimate. It is our opinion that the full evaluation could be done only through a census of each area. It should be noted that the time which would be required in order to comply with the evaluation provisions of this bill which relate to determination estimates would significantly delay the release and use of the estimates.

An additional point is that the definition of "standard error" in this bill is not the generally accepted statistical measure used among professional statisticians and the significance of the proposed migration/natural increase ratio in subsection 185(b)(6)(A) is not understood. It would appear to discriminate against growth areas.

Finally, by shifting the evaluation process from the Census Bureau to the Division of Evaluation and ultimately to the Congress and local areas, undesirable political influence on the statistical results becomes a real threat. The Census Bureau seriously questions the advantages of placing the burden for evaluation indirectly in the hands of those most directly affected by the statistical results.

Section 184 would require that the Secretary prepare a plan for conducting any census (except decennial or mid-decade), survey, or other data compilation, or for preparing determination estimates. The plan, which would be submitted to Congress not less than 60 days

before the activity is begun, is to be based upon studies on the impact of alternative procedures on the accuracy of the data collected (see section 5 discussion).

Confidentiality--Sections 8 and 9 of title 13 comprise the basic confidentiality provisions of the Census code which make access to individually identifiable census records virtually impossible. It is the rigidity of this statute which assures respondents that the information provided to the Census Bureau is kept confidential.

Similarly, these provisions make it possible for the Census Bureau to acquire otherwise confidential information from other Federal, State, and local agencies for statistical purposes. The Census Bureau has a record of consistently resisting any attempts to weaken the confidentiality provisions. The courts have upheld these provisions repeatedly as being in the public interest, and the Congress has enacted other laws, such as the Privacy Act of 1974 and the Tax Reform Act of 1976, in the belief that Census adherence to these provisions is absolute, and absolutely necessary.

This bill contains provisions which would dilute the confidentiality of the data to an unacceptable point. Subsection 185(b) would allow local officials who challenge determination estimates, access to any data upon which the estimates are based including decennial census returns. Tens of thousands of local officials potentially would have access to confidential data. Officers and employees engaged in an analysis or audit of the Division of Evaluation and of any other Census Bureau activity would, as provided in subsection 14(g), also have access to any confidential information, both economic and demographic. It is unclear whether access is limited to officers and employees of the Congressional Research Service and the General Accounting Office or if it applies to any officers or employees engaged in analysis or audit.

Regardless, the Department objects to any relaxation of the confidentiality provisions of title 13 because it is those safeguards that permit the Census Bureau to collect honest information from respondents, and to obtain essential identifiable information from other Federal agencies. Without such protection it is most unlikely the public would cooperate as fully as it now does.

There is an equally serious question as to whether the proposed access to confidential information is really necessary. Following the 1970 census there were many hundreds of complaints from local officials regarding the adequacy of preliminary population counts. Most of these complaints were satisfactorily resolved through the joint review of small-area summary data and it was extremely rare that local officials expressed any strong desire to examine confidential census records. Moreover, both the General Accounting Office and private research organizations have undertaken successful evaluations of Census Bureau programs without indicating any compelling needs, for access to identifiable census information.

Improvements in access to nonconfidential information and independent evaluations of census programs can certainly be achieved without taking the extreme risks posed by this bill with respect to the protection of personal information.

Section 5 -- Division of Evaluation

Section 14 provides for a Division of Evaluation within the Census Bureau, headed by a Deputy Director for Evaluation appointed by the Secretary. Subsection 14(f) specifies that the Deputy Director for Evaluation may, to the same extent as the Secretary under the provisions of subchapter II of title 13, appoint such personnel as he or she considers necessary; and that no officer or employee of the Division of Evaluation shall engage in any work other than an evaluation project carried out by the Division and shall only be assigned work necessary to carry out the duties of the Division. Subsection 14(g) provides for an audit of the evaluation and other activities of the Division every three years; and for an analysis by the Congressional Research Service (CRS) or audit by the General Accounting Office (GAO) of any evaluation or other activity of the Division of Evaluation and the Census Bureau at the request of the Congress. Subsection 14(g)(4) provides that the results of any such analysis or audit shall be submitted in a report to the Congress. Such reports may not be disclosed by GAO or the CRS to any person other than a member of a committee or subcommittee of Congress which requests the report.

This section would establish within the Census Bureau an organizational unit which is virtually independent of the Director and the Secretary. Although the Deputy Director for Evaluation would be appointed by the Secretary, no aspect of the activities of the Division of Evaluation appears to be subject to review by the Secretary or the Census Director. Reports prepared by the Division would be transmitted, in some cases, to the Secretary and the Census Director but only for information, not review purposes. Rather, the Director of the Census Bureau is directed only to cooperate with the Division of Evaluation in carrying out its evaluation activities. The work of the Division would be subject to audit or analysis only by two agencies of Congress, GAO and CRS, whose reports may be furnished only to appropriate Members of Congress, and cannot be furnished to even the Secretary and the Census Director. Since these reports could deal with virtually any aspect of the Bureau's statistical activities, and these activities should be open to public scrutiny, we fail to see any reason why a burden of "secrecy" should be imposed on such reports; presumably the public, as well as the Executive Branch, would benefit from a full knowledge of such reports.

Under the present organization of activities in the Census Bureau, evaluation activities are the primary responsibility of a separate Associate Director who reports to the Director. The Associate Director is responsible for all technical aspects of the design, administration, analysis, and publication of evaluation projects. The Census Bureau's statistical standards require that qualifications of data be published, to the extent feasible, with the publication of the data themselves, making the qualifications directly available to the data user. For data based on samples, measures of sampling reliability are routinely provided with the published estimates. Where measures of nonsampling error, specifically bias, are available these are also provided. The information provided with the data is supplemented by special studies and analyses which take longer to complete and are published separately.

The Census Bureau has an outstanding record of conducting evaluation studies and making available to the public the methods used and the results of its evaluation studies. The work of the Census Bureau is subject to audit by the Secretary; and is independently subject to audit by the GAO, which has a team almost continually stationed at

Census Bureau headquarters, and to analysis by CRS. The results of GAO audits are made public. All these activities insure independent review of the evaluation activities of the Bureau by the Congress and by the public under already existing legislation.

The mandated separation of the Division of Evaluation from the Census Bureau's other divisions enforces a separation between the Division's evaluation activities and the Census Bureau's research and evaluation activities which is counterproductive. A free exchange of ideas and work within the Census Bureau structure is critical to healthy progress. In the past, evaluation techniques were often refined into census techniques for future use. This transferal of technology generally requires the joint work of evaluation and research staffs with Census Bureau program and operating staffs.

In accordance with section 14, the Division of Evaluation must be notified before the Secretary or the Census Bureau begins any census (except the decennial census) survey or other collection of statistics-- including the acquisition of data from any other Federal agencies, State or local governments, or from private persons or agencies--or the preparation of population estimates under section 181 or any determination estimate. Upon notification the Division is to prepare and publish in the Federal Register, "as soon as practicable," a plan for evaluation of the intended activity or determination estimate (subsection 14(b)(1)). Neither the Secretary nor the Census Bureau shall begin the activity in question until the evaluation plan is published (subsection 14(e)(1)). As soon as practicable after the start of such activity or preparation of estimates, the Division shall begin its evaluation in coordination with the activity (subsection 14(b)(2)), to be completed in accordance with the specifications in the bill on the following time schedule:

- a. Enumeration of the total population in a decennial census--not later than nine months after the census date (April 1);
- b. all other aspects of a decennial census--not later than the end of the decennial census period; and
- c. any census, survey, collection or determination estimate as defined in paragraph 14(b)(1), other than a decennial census--not later than six months after the date on which all compilation of data is completed.

Neither the Secretary nor the Census Bureau may publish or otherwise release any information obtained in a census (including the decennial census), survey, collection of statistics or determination estimate until the Secretary or the Census Bureau has without alteration published in the Federal Register the evaluation report of the Division and submitted the report to appropriate committees in Congress (subsection 14(e)(3)). However, the Secretary shall submit a preliminary report including the statistical results to the Congress at any time at the request of the chairman of one of the appropriate committees in Congress or the chairman of any subcommittee of such committee having jurisdiction over census, regardless of the status of the evaluation report to be submitted by the Division of Evaluation (subsection 14(e)(4)) and prior to public release. Thus, the counts for congressional apportionment and legislative apportionment or districting of each State as well

as any other statistical information gathered by the Census Bureau, would be available to the Congress prior to any public release of the information.

These provisions of the bill, along with those in section 184, would most likely delay the start of virtually all Census Bureau statistical activities and consequently delay the release of results. Moreover, they would take away from the Secretary and the Census Bureau control of the start of all statistical activities. The provisions would also interfere with the mandated or otherwise formally scheduled timely release of statistical publications.

The restrictions on the release of information without the evaluation result would prohibit the Census Bureau from involving outside experts at the Federal, State, and local levels in the review of census tabulations prior to finalization. To illustrate this point, these provisions have exceedingly serious consequences for the accuracy of the decennial census enumeration. Traditionally, as it completes the population census for a local area, the Census Bureau makes counts of the enumerated population available to local officials for review and comment. Corrections to improve the completeness of the enumeration are made on the basis of such comments and subsequent checks. The results of this process in the 1970 Census are reported in the Bureau of the Census publication PHC(R)-1. The plans for local review in the 1980 census go far beyond the 1970 census process in the detail of population and housing counts to be made available. This review process would be prohibited under the bill, to the detriment of the completeness of enumeration.

A similar process of review of preliminary census of agriculture tabulations is carried out with experts from the U.S. Department of Agriculture and agriculture specialists from the States.

It is doubtful that, as this bill is written, the Census Bureau could continue the timely publication of the weekly, monthly, and quarterly data from its current demographic and economic surveys. It could delay the publication of data from the Census Bureau's annual statistical series by 6 to 12 months. Since policymakers need to make decisions and take action on a timely basis, they will be forced to use other less adequate data. The quality of current economic indicators that would be available on a timely basis would be substantially downgraded.

The requirements of these provisions will make it difficult or even impossible for the Secretary, as required by Executive Order 11490, to respond to requests for surveys in which quick response is needed for emergency planning purposes. Typically, requests for quick response surveys originate in connection with a special emergency--such as the fuel crisis in the winter of 1977--or other urgent national policy need.

The time schedule prescribed for the evaluation reports of the Division may force the Division to do an inadequate job of evaluation. For example, if the evaluation of the enumeration in the decennial census is to be completed within 9 months of the census date the Division may not be able to use demographic estimates based on birth and death records, or other record sources, since such data are not available within the prescribed time. The Division of Evaluation may be forced back to evaluation methods which the Census Bureau has used in the past and has abandoned as inadequate. The result will be that

evaluations published under the bill may seriously understate the errors and biases in data or analyses, and mislead data users as to the real quality of the data or analyses.

Finally, the provisions would permit politically sensitive data such as apportionment information, poverty statistics, unemployment statistics, and any other data to be given to the Congress prior to public release. The perception of potential political abuse and the potential for influencing the statistics politically is so great, that any such proposal is viewed by this agency as highly improper.

Subsection 14(c) provides that the Division of Evaluation shall carry out an analysis of the detailed sources of error arising from the various steps in the collection, processing and analysis of data from a census, survey, collection of statistics, or determination estimate, including an estimate of the magnitude of each such source of error (subsection 14(c)(2)(A)). The analysis is to include a study of the standard error for each State and unit of local government for which the data are collected or used. With regard to the survey of characteristics in the decennial census, the Division shall calculate the standard error "with respect to each statistical result which the Secretary reaches from the survey" (subsection 143(c)(5)). The Division is directed to "compute such standard error as the sum of the estimates of the sources of error" referred to in subsection 14(c)(2)(A) (subsection 14(c)(2)(B)).

The language of the bill is defective in that what is obviously intended is not "the magnitude of each such source of error" but "the magnitude of error from each such source."

The definition of standard error as "the sum of the estimates of the sources of error" does not make sense statistically. Further, the bill defines the standard error as including all sampling and nonsampling error, contrary to all accepted definitions of "standard error."

This subsection creates a major problem in that the Division of Evaluation is mandated to carry out activities which are not crucial for its purposes but which are crucial for the Census Bureau and all users of its statistical products. The result is that under the provisions of the bill both the Division of Evaluation and the other divisions of the Census Bureau must independently carry on the same evaluation activities. The Division will compete with the Census Bureau for trained staff and other resources, as well as duplicate effort. Moreover, the apparent workload assigned to the Division of Evaluation is so impractical in its detail that it is unlikely that it could implement the work regardless of size of staff.

For purposes of informing the Congress, the Secretary, and data users with regard to error in the results of a census, survey, analysis, or determination estimate, in relation to the application or correction of such results, analysis, or estimate, the estimation of error by source called for in the bill is not necessary. What is needed in our opinion for those purposes is a measure of the standard error (defined as the square root of the total variance from all sources) and a measure of the net bias; or, equivalently, a measure of the mean square error and the bias. These may be derived without a detailed breakdown by source of error. In contrast to this, the analysis of error by source is crucial for the Census Bureau to be able to design and conduct its censuses and surveys with a view to cost-effective control of the total variance and net bias of the results of such censuses and surveys, and similarly for analyses and determination estimates.

Consider, for example, the coding of occupation and industry information which might be collected in the survey of characteristics referred to in section 143. The Census Bureau must maintain, as part of its program administration an ongoing concurrent analysis of such coding in order to measure and control the quality of the coded data. It cannot turn this responsibility over to the Division of Evaluation. On the other hand, to carry out its evaluation, the Division of Evaluation must also conduct the same effort separately.

In summary, while thoroughly endorsing strong planning and evaluation efforts, the Department opposes the administrative independence of the Division of Evaluation suggested by this bill. We further believe that the intended objectives may be accomplished without the restraints which would prohibit the Secretary from effectively performing the responsibilities entrusted to her under title 13. An exhaustive review of the evaluation activities of the Census Bureau could be undertaken and where efforts need to be intensified or more widely publicized, action would be taken by this Department. Naturally, as part of its oversight function, the Congress would be kept informed.

Section 6 -- Census of Agriculture

This section represents a technical amendment to title 13 which would place the census of agriculture under subchapter I of chapter 5 instead of under subchapter II which would be concerned with only population and housing censuses. The effect of this amendment is to make existing section 132 applicable to the census of agriculture and to exclude the agriculture census from the provisions of existing section 222. It does not appear that this would have any impact on agriculture census activities.

In conclusion, the Department of Commerce most strongly opposes this far-reaching bill which has major implications not just for the decennial census but for every statistical activity conducted by the Secretary of Commerce under title 13. The potentially large costs associated with this bill cannot now be estimated with any degree of reliability. The intent of some provisions is unclear, and in other instances the resources required to implement a provision would depend on interpretation during implementation. This Department is committed to making the 1980 census as complete and accurate as possible, to ensuring vigorous evaluation of Census Bureau data collection efforts, to involving local government officials in the estimation program, as well as other goals. The Administration intends to see that new effort is devoted to solving the serious problems which beset the statistical programs. This bill, however, does not successfully address those problems, and certain provisions would hamper seriously our ability to collect accurate and timely social and economic data, not to mention the insuperable obstacles it would create for the successful conduct of the 1980 census.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of this report to your Committee and that enactment of this legislation would not be consistent with the Administration's objectives.

Sincerely,

C. L. HASLAM

C. L. Haslam
General Counsel

UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
 Washington, D.C. 20233

OFFICE OF THE DIRECTOR

Honorable William Lehman
 Chairman, Subcommittee on Census
 and Population
 Committee on Post Office and
 Civil Service
 House of Representatives
 Washington, D.C. 20515

Dear Mr. Chairman:

After reflecting on the hearings on H.R. 8871 and the statements submitted to the Subcommittee by the witnesses and others who did not testify, I believe it is fair to conclude that there is a strong consensus in support of most of the stated objectives of the bill but against its enactment because of the substance and complexity of most of its provisions. This view of the proposed legislation is, as you know, one which I continue to hold.

However, I certainly do share with you a very deep concern about the serious issues which the Census Bureau must address. Your personal attention to some of these problems has very usefully brought the issues into sharper focus and has resulted in constructive ideas from the Subcommittee and the Bureau staff, as well as from outstanding statistical experts outside Washington. I should like, therefore, to suggest a specific plan of action which recognizes the valid points you have made and addresses them productively in a flexible evolving manner. This plan will provide the progress you earnestly seek without the specific requirements and uncertainties of interpretation inherent in detailed legislation such as H.R. 8871. Furthermore, the Subcommittee will be able to monitor and contribute to these efforts in a very positive fashion. This plan covers five important areas: (1) appeals, (2) collection of data needed for small areas on a 100-percent basis, (3) undercount, (4) two-stage census, and (5) evaluation.

1. Appeals

When Census Bureau estimates used for allocating Federal program benefits are challenged by local communities, the Census Bureau reviews the differences and makes corrections, as appropriate. We are aware that our procedures are not widely known or understood, and are not always perceived to be sufficiently objective. Therefore, I am directing that the Census Bureau take the following steps to improve the relationship between the Census Bureau and local communities with regard to Census estimates and hopefully to improve the quality of the estimates as well.

- a. Increase involvement of local statistical offices in the development of methodology to determine estimates through a formal program initiated by the Census Bureau similar to the Federal-State Cooperative Program, whereby statistical estimation activities of the States and the Census Bureau are coordinated.

- b. Issue for local communities in a systematic manner Census Bureau procedures for handling appeals and challenges to Census estimates. This will ensure opportunity for public comment on and awareness of the appeals procedure being utilized.
- c. Develop options to consider how a more independent approach may be established in connection with appeals. We would plan to involve such organizations as the National League of Cities, the U.S. Conference of Mayors, and the National Association of Counties.

It should be noted that despite these efforts, communities experiencing population losses may still be adversely affected by formulas in Federal statutes that depend heavily on statistics for small areas in determining the amounts of funds available to them.

2. Collection of data needed for small areas on a 100-percent basis

It is generally understood that to obtain reliable data for city blocks or small units of local government, it is necessary to use either a very large sample or to cover the items on a 100-percent basis. As it is absolutely essential, in our opinion, that certain items be collected on this basis, we will explore techniques to encourage understanding and cooperation.

What is apparently not clear is why the Census Bureau decided to ask income of all persons in the United States, even those in large cities and counties, when increased reliability is needed only for the very smallest units of government. We are preparing a statement which explains the reasoning behind this decision. Also, we are reevaluating alternatives to asking income on a 100-percent basis in all areas without sacrificing reliability in small areas and will report our findings to the Subcommittee.

3. Undercount

The Census Bureau has given lengthy and intensive attention to the undercount and has consistently taken the initiative in seeking solutions. Besides our own efforts we have also funded studies by outside groups and individual scholars. We have used both conventional and unconventional approaches to try to determine the causes of the undercount and have tried to modify procedures accordingly, taking into account what we have learned. We have also solicited ideas as to what changes might feasibly be introduced in census procedures and tested to determine whether or not a gain in coverage completeness could be achieved.

Before major modifications are made to census procedures it should be demonstrated that there is evidence that a particular procedure contributes to reducing the undercount and therefore should be utilized. We do favor, in principle, evaluating alternative approaches to census methodology, publicity, and training in relation to the undercount. However, we believe it would be unwise to merely substitute one procedure for another without formal evaluation.

We realize that many officials know of the complaints that occurred in 1970 better than they understand our plans to deal more effectively in 1980 with the problems that caused complaints. We will therefore:

- a. Strongly publicize to local officials how the census will be taken, what techniques and resources will be devoted to the undercount problem, and how local communities can assist in checking on the accuracy of the preliminary counts.
- b. Strengthen efforts to encourage the cooperation and participation of local communities in the census through city-sponsored committees to improve the census count.
- c. Continue to build our program of working with grassroots community groups, especially among minorities, to obtain their understanding and active involvement in the census.
- d. Intensify efforts to implement and publicize the 1980 census local review program in which local communities will have opportunities to review preliminary census counts in an attempt to identify potential undercounts and other errors while the 1980 temporary census offices are still open.

In addition to involving local officials in our efforts to reduce the undercount, we are continuing research on techniques and procedures for measuring the undercount for subnational areas and are exploring new approaches for 1980. We would be happy to work with the Subcommittee and with others in trying to develop appropriate measures. We will ensure that our progress is well publicized and available for review and comment.

4. Two-stage census

Although a "two-stage" census was conducted in 1960, it was quite different from that required in H.R. 8871. We believe we should not risk conducting a nationwide census with a procedure which has not been fully tested, especially when there is no evidence that it will provide the gains which presumably justify its introduction. We do expect, however, to test such a technique, perhaps on a small scale in the 1980 census itself, for future censuses. We certainly want to explore any ideas which appear to warrant serious consideration. It is our best professional judgment, however, that it is simply too late to revise safely the basic 1980 census methodology. This judgment has been confirmed by some of the experts who have written to you about the bill.

5. Evaluation

A major thrust of the bill is concerned with the independent evaluation of our statistical work. We have objected to the way this is structured organizationally in H.R. 8871, as well as the very detailed provisions for evaluating and adjusting specific figures. At the same time, we acknowledge the

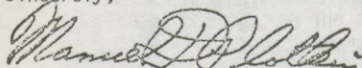
frustrations of those who must live with the results and who would like to see some checks and balances on the work of statisticians. We have an obligation, through research and evaluation, to improve our work whenever possible and to explain and defend appropriate uses of our data as well as to describe their limitations. Shifting these obligations elsewhere will not resolve the concerns.

We are not committed at the moment to a particular course of action; however, we intend to promote discussions and recommendations from outside of the Bureau to try to define what actions are appropriate and feasible, including, for example, more adequate resources for evaluation, panels of experts to study and report independently on methodologies for compiling data and various other processes by which figures are created and adjusted, and more effective contracting out for research and evaluation. We welcome contributions from the Subcommittee and any public or private individual or organization for these exploratory discussions.

In conclusion, I hope I have conveyed to you our clear commitment to deal with these critical issues. I am sure you will agree that our respective staffs can count on ideas and advice from statisticians, social scientists, and other experts outside of the Bureau, as well as representatives of those constituencies which are vitally affected by statistics.

I respectfully urge you to consider this approach as an appropriate alternative to further legislative action.

Sincerely,



MANUEL D. PLOTKIN
Director
Bureau of the Census

Ms. SLATER. Mr. Chairman, may I say a word?

Mr. SOLARZ. Yes.

Ms. SLATER. I would be very pleased to provide you with my department's section-by-section comments on this bill. However, I believe it is the administration's view that the objectives of this bill can be achieved under the authority of existing legislation. That is, we do not frankly see the need for legislation of this type at this time.

I think I should make that clear.

Mr. SOLARZ. Well I understand that. I think the subcommittee does.

At the same time we do have the bill before us, and the choice may not simply be to accept it or reject it. There is also the possibility that we might amend it and modify it, and you may have some particular suggestions which would be useful.

We will always keep in mind the fact that you prefer to have no bill at all.

Now I am a little puzzled about what seems to be one of the central disputes between yourselves and the sponsors of this legislation, and that is whether a single stage would or would not contribute to the undercount.

Your feeling seems to be that a two-stage census would contribute to the undercount, because people are reluctant to respond to the census twice, whereas the sponsors of the bill seem to feel the lengthy census form will discourage people from cooperating, which will contribute not only to the undercount but to an increase in cost, due to the necessity of following up with personal interviews of everyone who fails to respond to the mailed questionnaire.

I would like to know why in the world this can't be tested.

Why do we have to rely on your commonsense judgment, or the commonsense judgment of the sponsors of the bill?

Why can't you send out, in demographically similar areas, a long form and short form and see what the differential is in the response rate?

Mr. PLOTKIN. As a matter of fact, we do that now, and we analyze the return rates for the short form and the long form.

And we have found through our experience, that the difference in response rate between these two forms is relatively small.

Mr. SOLARZ. I got lost there.

Mr. PLOTKIN. In 1970 we had a total mail response rate of 87 percent to the questionnaire. That is just the mail response rate.

For the short form the response rate was 88 percent; for the long form—

Mr. SOLARZ. This was in 1970?

Mr. PLOTKIN. Yes.

Mr. SOLARZ. What was the difference in 1970 between the short form and long form?

The short form was sent to everybody?

Mr. PLOTKIN. The short form was sent to 80 percent and the long form to the other 20 percent.

And as I say, the total response was 87 percent in the mail—83 percent on the long form, 88 percent on the short form.

It is surprising, in light of the much more extensive information required on the long form, that the difference is that small, only 5

percentage points difference with a considerable difference in length of form.

Now what we are talking about in terms of our version of the short form, and the bill's version of the short form is not vastly different in terms of length. There might be a relatively small difference in the time required by the respondent. We estimate that the short form would take around 15 minutes to complete.

Mr. SOLARZ. Your short form?

Mr. PLOTKIN. Our short form.

It is not clear, of course, how long it would take to complete the short form as described in H.R. 8871, because in addition to the questions that are mandated in the bill, there are some open provisions that the Division of Evaluation can add whatever questions it needs in its judgment, to do a proper evaluation.

So our estimate is that there really will not be very much difference in terms of the length of time it takes a respondent to complete the short form, as we see it, and the short form as viewed in H.R. 8871.

Mr. SOLARZ. Is it true that in 1960 you had a two-stage census, similar to the kind envisioned by this bill?

Mr. PLOTKIN. It was not similar to this bill in most critical respects.

I would like to have Mr. Levine describe the nature of the 1960 census version.

Mr. LEVINE. I don't think that we consider, Mr. Chairman, the proposal in H.R. 8871 to be what was done in 1960. In 1960 the short-form questionnaires were distributed by the postmen and left at each address on his route.

And then, several days later, the interviewer knocked on the door and picked up the short form, checked it over. And, if that household had also been designated for the sample, transcribed from the short form the demographic information contained in the short form to the long form, and left the long form with the household to mail back.

So it was an instantaneous or simultaneous activity.

This bill requires that no second-stage activity may begin until the first stage has been completed.

A second difference is that the sample size is very variable. It requires, in effect, in our judgment, possibly as many as 10,000 to 15,000 different sample rates each of which would have to be controlled. It is based on population size.

So, in our judgment, it would add a good deal of complexity. In fact, we might have to wait until the first count was completed, in a sense on a preliminary basis, to make sure that we know what the size of the place is so that we can effectively establish sample size to obtain the minimal requirements of this bill, namely 500 cases in the sample, irrespective of the size of the place. And also to control to a total of 20 percent as required by the bill.

Again, in 1960 the two stages were simultaneous as I have suggested, and the same sampling rate applied in all communities throughout the United States.

Mr. SOLARZ. Is there any reason why you couldn't test the procedures in this legislation, in order to determine whether, in fact, their adoption would reduce or increase the response rate?

Mr. PLOTKIN. An appropriate test of census plans would be most difficult to complete and have ready prior to the time by which all procedures would have to be finalized.

As you know, we have had 4 years now of testing, and we are going into the final phase of census operations; based on the results and analysis of all our tests.

Mr. SOLARZ. I simply don't understand. I would appreciate it if you could explain why it takes so long for you to test these various surveys. You have got 3 years before 1980. As someone who spends a good deal of time working with political survey data, I know you can pretest questionnaires and get people out in the field pretty quickly when you have to. I don't understand why this takes so long.

Mr. PLOTKIN. I can understand your confusion on this issue.

My experience in private industry confirms that quick survey research can be quite helpful. The census operation is such that there are a number of steps that have to be taken to assure coverage and to assure the accuracy of the response, where an opinion or a quick survey technique, as we conduct in industry or perhaps in an election survey, is not adequate.

Mr. LEVINE. I would like to add, if I may, Mr. Chairman, as you commented earlier about your experience in New York, some of your colleagues were able to get out 1,000 household-sample survey, or contact 1,000 individuals rather quickly.

I think we can also contact 1,000 individuals quickly.

The issue for 1980, however, is that we have to contact 220-some million people rather quickly. And the schedule for printing material necessary for the 1980 census call for materials to begin to be printed early, at the beginning of 1979. It takes us virtually a full year or more in order to print over 100 million questionnaires that are required, the training kits, the maps, to generate the full address registers, a list of addresses, and to have them checked through the Post Office and to conduct the other preparatory activities.

So I would agree with the Director that certainly, we could test this, but I don't think it could be tested quickly. It would have to be tested in a census situation, which would require covering a full community, perhaps a group of communities, in order to see what the implications are with regard to the constraints of the bill in terms of sample size and other requirements, and trying to see how best to establish a test when you are dealing with very small differences.

And you will recall that we estimate the undercount in 1970 was 2½ percent. Any test requires at great deal of precision to detect differences at that level.

Mr. SOLARZ. Presumably the purpose of these pretests is to determine what problems you have, so that they can be eliminated.

As I understand it, the second pretest this year was conducted before the results of the first pretest were in. And the third pretest was conducted before the results of the second pretest were in.

Does that make any sense?

Mr. LEVINE. With all due respect I don't happen to agree with that particular statement.

I would agree that it makes no sense to run tests, assuming you have no results, then go into the next one.

I think the distinction that I would make is that we have not yet published formal results from the pretest that we have conducted.

However, I can assure you that as we go through the pretests, first of all we have extensive observation of the activity and we have extensive observation reports by those of our staff who have been there.

In addition we have internal memorandum providing us with very rapid feedback on the pluses and minuses of the various techniques that we have tried. In some techniques it is quite obvious, immediately upon attempting to implement them, that they don't work. And we may know that, even though we haven't yet taken the time to write up a formal results memorandum. I can only assure you that we take full account of the results of our various tests.

Mr. SOLARZ. Why do you think it is so important to include the income question on the short form? Some people, I gather, seem to feel this is a particularly troublesome or burdensome question to answer.

If you included that on the long form, and that was mailed out to 20 percent of the population, wouldn't that give you an adequate sample size for even the smaller communities on which to base judgments that were required by law?

And if it didn't, couldn't we provide in the bill for a large enough distribution of the long form in smaller communities in order to assure an adequate data base?

Mr. LEVINE. I think that is a very important question that you have raised and I recall that you asked it of Mr. Scammon as well.

I think the reason that we have put an income question on the short form is that in our discussions with the Federal agencies it became quite clear that the Office of Revenue Sharing required more precise data. We are responsible for producing the per capita income estimates, and we recognized that the changes in the aggregate income were more than masked by the sampling error obtained in 1970 in connection with the coverage of income through the long-form sample.

Many of the communities that we are talking about, if not most, are small communities. And as Dr. Scammon mentioned, when you are dealing with a 20-percent sample of a community of 100 people, which also is involved in revenue sharing, you have an entirely different problem in terms of sampling error than you do when you get to New York City.

Mr. SOLARZ. I understand that. That makes perfectly good sense.

But why isn't it possible to adjust this on a national basis? In other words, why can't you establish a minimum number of completed questionnaires that you need in order to provide an adequate data base for each community and then scale it accordingly?

In other words, New York City 20 percent would be more than adequate; whereas obviously in a smaller community, 1,000 people, 20 percent might not be.

So why couldn't you provide in the smaller community, more people who would receive the form, and in larger communities, less?

Mr. LEVINE. The form you are talking about, Mr. Chairman, would then be the long form.

Mr. SOLARZ. Right.

Mr. LEVINE. The long form would mean that in small communities, more of the population would be burdened not only with the longer income question, but also with all of the other data that are included on the long form.

And frankly, in trying to think the process through and looking at both logistical problems and burden problems, in our judgment it seems more appropriate to have a short-income item which was con-

sistent for all communities, and which, in our judgment so far, based on our pretest results, does not show a substantial impact on the response rate. The gap between the long and the short form still continues at about the 5 percentage points observed in 1970.

Mr. SOLARZ. Do you know how many units of local government require the income data for revenue sharing and other purposes?

Mr. LEVINE. Every unit of local government involved in revenue sharing, all 38,000. Per capita income is one of the formulas established by Commerce.

Mr. SOLARZ. Of the 38,000, do you have an estimate of how many would lack an adequate data base if we used a 20-percent sample for the distribution of the long form, and included income only on the long form?

Mr. LEVINE. A very crude estimate would say all those places below 2,500. I would estimate somewhere in the neighborhood of 15,000 such places, but I could refine that estimate.

Mr. SOLARZ. Let me just say, I think that is the kind of precise information that it would be useful to get in your section-by-section analysis of the bill.

Since you were here during Mr. Scammon's testimony, you undoubtedly heard our colloquy on the problem of estimating the number of illegal aliens.

What is your response to the suggestion of establishing a basis for making an estimate of the number of illegal aliens? A basis that relies not just on the enumeration but on indirect evidence which a panel of experts might evaluate? Couldn't they come up with a figure which would be a closer approximation of reality than the enumeration figure, given the incentive illegal aliens have not to cooperate with the census? Do you think that would make sense?

Mr. LEVINE. I think there are a number of questions with that, Mr. Chairman.

The first is, of course, that we have no way of knowing how many legal or illegal aliens we count in the census. It is our judgment and our belief that some legal and illegal aliens are counted because when you go to a door——

Mr. SOLARZ. That goes without saying. But many of them obviously aren't.

Mr. LEVINE. The point I was making is when you start making independent estimates, and some of them are counted in the census, you do introduce the possibility of some duplication.

The second point that would concern me would be where to find a group of experts, to use your term, who can provide a count of illegal aliens for the Nation as a whole. I think you are aware of the estimates which range between 4 and 12 million, supposedly made up by a group of experts.

But more importantly, when you try to break down that estimate whatever it may be, however, it may established by your board of experts, break it down to areas—New York; Chicago, Los Angeles—I think you will introduce the same problem that you introduce now when you talk about our population estimates. Even using what we consider to be fairly sophisticated statistical techniques in order to produce the current estimates to update revenue sharing, we still find

ourselves faced with questions from many, many mayors and other local officials.

Mr. SOLARZ. Do you have any estimate whatsoever, based on previous research, of the extent to which the inclusion of the income question on the short form contributes to a decline in the response rate?

Mr. LEVINE. We have no specific information other than the point I mentioned a moment ago; that although the overall response rate has gone down, the gap between the short and the long form remains at the 5 percentage points that we observed in 1970.

We have no basis for suggesting that it has had a particularly harmful effect on response rate for the short form.

Mr. SOLARZ. I was under the impression that you said in 1970 the difference was 1 percent, between 87 and 88 percent.

Mr. LEVINE. No. The overall response rate for the short and long forms combined, was 87 percent.

The short form was 88 percent, the long form was 83 percent.

Mr. SOLARZ. Is there any reason to believe that the income question in and of itself is a disincentive to cooperation?

Mr. LEVINE. Is a disincentive to cooperation?

I think there is always a problem in asking income. It is one of the more difficult questions, and therefore one of the items which requires some followup because of incompleteness.

But so far, in our tests that gap of 5 percentage points has remained in the three pretests that we have taken to date.

Mr. SOLARZ. As a practical proposition, if the income question was eliminated from the short form, what would you have to do with respect to those 2,500 communities around the country for which the 20-percent national sample would not provide an adequate data base?

Mr. LEVINE. Given that fact, it would seem to me that we would have to go to burdening the public in those communities with the sample form to a much larger extent than we propose at the moment.

I think there is a second feature that I should mention also.

Putting the income question on the short form will allow us to provide those data much more quickly. The tabulation of 100 percent data is completed before the sample data since the population counts are required by Congress for reapportionment, as you know, by early 1981. January 1981.

Similarly the short form income data could be available by that point, also.

Data solely from the sample of characteristics, as defined in the bill or however modified, would not be available until possibly 1 year or more later.

Mr. SOLARZ. Has the Bureau ever done any testing on which the income testing was included on only one form?

Mr. LEVINE. No, we have not, because our discussions with the Office of Revenue Sharing, and our recognition from our own evaluation work as to the weaknesses in developing the per capita income estimates for small areas from the 1970 census data led us to the conclusion that we would include this question, on the short form and look for any impact on our tests.

As I say, the gap has not widened, and in our judgment, such a test was not necessary. We felt the need far outweighed the additional burden or problems that the Census Bureau would have to carry in this regard.

Mr. SOLARZ. To what extent might the disincentive impact of including the question have shown up in the kind of pretest you have been doing?

You indicated the gap hasn't widened. What gap are you talking about, and how would it have any implications for the impact of the income question?

Mr. LEVINE. Well the gap that I am referring to is the number of percentage points difference in the mail response rate between the sample form and the short form.

And as I stated, that gap has not widened.

Now obviously, had we seen that the long form remained at the rate of x , but that the short form mail response rate was significantly below that or just really very low, we obviously would have reconsidered our position.

But in light of our experience in the pretests to date, and the importance of this data, the Census Bureau has included the collection of short form income data in its cost estimates and is willing to bear the additional burden if we can explain it properly to Congress and Congress supports us in our funding requests.

Mr. SOLARZ. What is the difference between what is called for in the short form that you propose to send out and the short form that this bill proposes to send out, both in terms of the absolute number of questions and the specific ones?

Mr. LEVINE. I don't recall the absolute number of questions.

The form proposed by H.R. 8871 seriously limits the number of questions we ask on housing. I think it only has two. We have possibly another half dozen or so.

It also leaves out the income question. Incidentally, the housing questions, of course, are asked only once for a given household, not individually of each person.

These are a number of items in personal characteristics which are left out. I believe relationship and marital status are not there.

I am sorry if I have forgotten any more. I just don't recall enough. I would have to check and make sure.

Mr. SOLARZ. I just have one or two minor questions, then I will turn the questioning over to my colleague.

Mr. Plotkin, you indicate on page 4 of your testimony that under section 143(b)(2)(c) of the bill, the Division of Evaluation could recommend questions be added to the questionnaire without testing or demonstration of need in advance.

Is there any reason the bill couldn't be amended to provide that any question recommended by the Division of Evaluation be tested before inclusion in order to determine if there are any problems with it?

Mr. PLOTKIN. One major reason is the time constraints that we are working under at the present time.

Mr. SOLARZ. I gather every question in the census is tested in advance?

Mr. PLOTKIN. All of them have been.

Mr. SOLARZ. Under existing procedures?

Mr. PLOTKIN. Yes.

Mr. SOLARZ. So obviously it would be an anomaly to permit the Division of Evaluation to insist on the inclusion of questions that weren't tested?

Mr. PLOTKIN. Except we have just completed 4 years of testing of questions, and we are now developing the final plans for the dress rehearsal.

This suggested additional test and possible delay of the dress rehearsal might then cause some serious problems in our schedule.

Mr. SOLARZ. You make a point also on page 4, that the bill would require that the basic enumeration be completed in a geographic area before the sample work could be started.

Now, is there any reason why that couldn't be changed as well? I mean, from your point of view, let's assume the Congress decided to move in the direction of the two-stage census. Do you think it would make sense to hold back the sample until the short form had been completed and evaluated? Or do you think it would make sense to proceed with both simultaneously, or in short order right after each other?

Mr. PLOTKIN. They could be conducted simultaneously. But then there would be several provisions in the bill which would have to be changed, and presumably this would call for sending of two questionnaires to the respondents.

I would have to reconsider the implications of that.

Mr. SOLARZ. I am going to close. I am taking up much more than my time.

These are precisely the kinds of considerations it would be helpful if you could address yourself to in your detailed response. You are raising all sorts of problems with the bill which in turn suggest solutions, which have to be considered.

Now if the solutions to the problems you point out are not satisfactory, then the committee ought to have your help in understanding why. It is not enough to simply say that you have got this problem and that problem with the bill.

Mr. PLOTKIN. We would be pleased to submit a detailed analysis. Of course, again our concern is the rigidities of the legislation in terms of saying that the census should be conducted under these time constraints and with these provisions, not allowing for unforeseen circumstances that may create problems.

But we certainly would be pleased to present a detailed analysis.

Mr. SOLARZ. Thank you very much.

Mr. LEACH. It is my understanding that income data is cross tabulated by sex, race, and occupation for title 7 affirmative action purposes.

If you didn't have income data on a comprehensive basis might it not be very difficult for title 7 enforcement to take place? Will this new approach work at cross purposes to the civil rights movement?

Mr. LEVINE. I am not sure I understand your question, Mr. Leach. We will provide from the samples that we plan to conduct, whether under H.R. 8871, or under our present plans, detailed economic—

Mr. LEACH. What I am getting at is, H.R. 8871 calls for elimination of income questions except on a sample basis.

Mr. LEVINE. That is correct.

Mr. LEACH. Would that cause problems in the title 7 affirmative action program?

Mr. LEVINE. I don't think it would, but I am not able to answer that definitively. I'm sorry.

Mr. LEACH. Could you explain how you go about evaluating undercounts in the current system?

Mr. PLOTKIN. The Bureau prepares estimates of national undercount. There are no known techniques at this time that are acceptable to the professional community on estimating the undercount for small areas.

The Bureau, however, has considerable research underway to develop such techniques. We have just prepared some estimates of undercount by State. We have a comprehensive research study underway in Oakland to determine how undercount might be allocated on a sub-national basis.

This is a very difficult task and we have not had sufficient information on which to adjust for undercount.

Mr. LEACH. I have two more questions.

One, Mr. Plotkin, in your testimony you mention that in December 1975 you had approximately 700 challenges relating to general revenue sharing, of which 15 percent were adjusted.

What kind of a cross section of communities did these 700 challenges represent? Larger or smaller communities? Were results equitable in terms of the size of community that challenged?

One of the problems as I see it with census challenges is that any community with substantial resources will have greater ability to launch a challenge. Take, for example, a State like mine, Iowa. We have several small towns with migrant elements that I would suspect would have greater undercount problems than a large city like New York and Chicago on a percentage basis.

Yet, these towns would never challenge a census, simply because they don't have the expertise and the professionals

Is it a problem? Are the challenges of these 700 communities largely the more competent large city administrations, or do they run across the board?

Mr. PLOTKIN. I would like to have my colleague answer that specific question on the composition of the challenges. That is an area, of course, that we are planning to improve upon for 1980 to provide more adequate means for communities to check preliminary census counts so that these can be reviewed.

But with regard to the 700 challenges of 1975, I don't have the details.

Mr. Levine, I think, can comment on it.

Mr. LEVINE. I wouldn't say those 700 were representative samples, Mr. Leach, but they do represent large and small.

I can tell you that we do have challenges at the moment, for example, from communities in Iowa, in South Dakota, and from other small communities.

I think there are two points that are very important to make here.

With regard to the counts that derive from the 1980 census, we plan as part of our current thinking, to set up a system whereby prior to the census we will provide communities—large, small, whatever their size—with our advance estimates of the number of housing units, by whatever level of geography is best suited to that particular size community, so that they can provide some input as to gross discrepancies before the census is implemented.

Immediately following the census, we also plan to provide to the same officials, whether they be designated by the mayor or county supervisor, whoever he or she may be, the preliminary counts of population and housing units. These counts will be available by city block in large communities and by enumeration district in smaller ones.

At that point we plan also to keep our offices open longer so that the 1980 census counts, which are the foundation for subsequent estimates of population change, will be fully reviewed by the community extensively, and any problems arising at that point can be resolved on the ground while the offices are still open.

With regard to challenges to our estimates, at the moment that is handled through the Office of Revenue Sharing. In advance of any entitlement period, the estimates are sent to every one of the 38,000 governments, and they are given an opportunity to raise a challenge and to indicate what their information happens to be, regardless of their statistical expertise.

I will fully agree with you, the larger cities have much more talent, and it is difficult for a small community, but we hope to be able to overcome that by the methods that I have mentioned.

Mr. LEACH. I am pleased to hear that.

My concern is that challenges by definition, are made for the purpose of increasing the count in a given community. The areas which do not challenge are negatively effected, albeit in a small way, by every successful challenge.

If there is an accumulation of challenges from one type of community versus another, the other later type of community is fundamentally injured. That is one of the reasons why I feel rather strongly that census ought to be within the most clinical, professional environment rather than closer to a more highly politicized environment.

Finally, I have one further question. Clearly this legislation, under consideration, is not being considered out of thin air. There are some very fine problems.

But in dealing with them, whether it is a response to Mr. Solarz' approach or whatever, would you argue that we would be better prepared if we were looking really at the 1990 census rather than at the 1980 census?

Mr. PLOTKIN. Yes, Mr. Leach.

We express grave concern about major changes in census procedures at this time, after essentially most of the testing has been completed. The census operation traditionally is based on extensive testing; the mail technique was initially tested in the 1960 census on a very limited basis, expanded to about 60 percent of the country in the 1970 census, and now expanded to about 90 percent in 1980 since it worked successfully in 1970.

To go into the 1980 census with untested procedures and major restrictions which would be imposed on us, would, in our mind, create great risks.

Mr. LEACH. Thank you.

Mr. SOLARZ. Thank you, Mr. Leach. I have just one or two more questions. I am informed that about 30 percent of the respondents to the Oakland survey neglected to fill out the question on income. Is that accurate?

Mr. LEVINE. That is approximately accurate, Mr. Chairman. That is not unusual when dealing with income.

Mr. SOLARZ. And my understanding is that under your procedures, you are obligated to follow up with a personal interview any mailed response in which one or more questions is unanswered.

Mr. LEVINE. I think I would like to clarify that.

We are not obligated to follow it up personally. I think, as was mentioned earlier, more than 90 percent of the "failed edits" which means questionnaires with one or more questions left blank, were completed by telephone, which certainly is a more efficient way than personal interview.

Secondly, since we are conducting tests, we were looking at a technique which would permit us to evaluate the full distribution of non-response to these items so that we could set a tolerance for 1980.

Mr. SOLARZ. But you do follow up on every mail questionnaire in which some of the questions are unanswered, is that correct?

Mr. LEVINE. In the pretest for the 1980 census, and in 1970, there were certain tolerance rules set that if one or two items—I have forgotten the exact number—were blank on the short form, and possibly 3 to 5 on the long form, those were accepted, because they are randomly distributed and do not impact on results.

But anything which fails the "edit" criteria is followed up either by telephone or in person.

Mr. SOLARZ. I see.

What percentage of the short forms in 1970 were followed up in one way or another?

Mr. LEVINE. I'm sorry, I don't have those data. We can provide them to you.

Mr. SOLARZ. Do you have any basis for judging whether the follow-up rate was higher or lower in 1970 than it was in the pretest based on the same criteria?

Mr. LEVINE. We didn't use the same criteria in the pretest. We were using the tests to give us an insight into the extent of the problem for 1980, and then we will set up criteria consistent with our experience. It may not be the same criteria which we followed in 1970. We wouldn't arbitrarily accept 1970 criteria for 1980.

We were looking at the full gamut of nonresponse, and on that basis we will set up appropriate—

Mr. SOLARZ. Wouldn't it be possible to write into the criteria the exclusion of the question on income as a basis for determining whether there is a need for a followup?

Mr. LEVINE. Are you suggesting if income is not answered, not follow up?

Mr. SOLARZ. Precisely.

I am just tossing it out as a suggestion.

Mr. LEVINE. Offhand I would not want to see that written into the criteria, because of the importance of that item for apportioning funds under the various programs which exist.

Mr. SOLARZ. But if you included income on a short form, and even say 30 or 40 percent decline to answer, presumably the data base even in the smallest communities would still be adequate.

Mr. LEVINE. I would disagree with that, Mr. Solarz, because it might very well be that you got an 88 percent response rate, which everyone

would think was fine. Except that when you analyzed it by the part of the community from which it came, you might find that you got 100 percent from all of the middle-income and high-income people, and all of the minority groups or the disadvantaged groups were the ones who left the question blank. And that would severely bias or distort the per capita income estimate for that community.

Mr. SOLARZ. Well, that certainly makes sense. But don't you have precisely the same problem with the failure to respond to the sample survey?

In other words, you are never going to get 100 percent response on the income question, and one can presume in one way or another, those who don't respond are different from those who do.

Mr. LEVINE. That is exactly the reason when someone doesn't respond we go back either by telephone or in person to assure that we don't have a bias, or that we have minimized the impact of this bias.

Mr. SOLARZ. One last question.

In terms of the need for an adequate data base on income in smaller communities, what would be the problem with including income on the short form in those communities, but precluding it or excluding it from the short form in the larger communities across the country, where an adequate data base could be derived through the 20 percent sample?

Mr. PLOTKIN. That has primarily been a logistics problem and results in another form. It does complicate the procedure.

Dan, do you have any comment? I know you have done a lot of discussion on this.

Mr. LEVINE. It is something we have been looking into. We are very concerned about it. But, as the Director has pointed out, there are logistical problems, but I certainly would agree, it is something we ought to look at very carefully.

Mr. SOLARZ. It seems to me that this might be a way of reconciling the conflicting concerns which have been expressed here, because as far as I can determine, the only real argument you have advanced in favor of including the income question on the short form, is the problem of getting an adequate data base in the smaller community for the purpose of revenue sharing and other programs.

Clearly, therefore, the inclusion of the income question on the short form is not necessary in the larger communities, if you include it in the sample form, because you can get an adequate data base from that.

Mr. LEVINE. Except, I would make one comment on that, Mr. Solarz. One of our concerns is that because of the requirement, or the implied requirement, of equity in distributing funds across all communities, one would want to use the same question for collecting these data in all communities. Our concern has been with the sample form which asks about income quite differently and in much greater detail than does the 100 percent question. The variation might introduce some bias or differential between income collected on the short question and income collected on the detailed followup.

Mr. SOLARZ. Well, couldn't you simply resolve that problem by making sure that at least one of the income questions on the sample form was identical to the income question on the short form?

Mr. LEVINE. Then you would have two sets of income questions on the long form, which might cause you all sort of additional problems.

As I say, we have not been unaware of this and we have been grappling with it consistently and continually. It is a very serious problem.

It would be very easy for us to use 100 percent in one place and the sample in the other but because of the major concerns of equity we have been very concerned about it.

Mr. PLOTKIN. Mr. Chairman, I wanted to reaffirm that we are exploring alternative ways of handling the income question. It hasn't been finally resolved in our minds.

As suggested by Mr. Levine, it does introduce a number of other problems that perhaps are not clear on the surface, but we do not have a fixed mind on this, and are exploring alternative ways.

Mr. SOLARZ. Given the importance of the data that you come up with for the financial viability of many communities around the country, obviously there are many jurisdictions which are unhappy with the results which are produced. And you have, I gather, procedures whereby people can lodge protests or appeals against your determinations.

But, do you see anything wrong in principle, given the importance of these figures to the various communities around the country, with establishing some kind of independent mechanism for evaluating the validity and reliability of the figures you have come up with?

I mean, I am not a mayor or a county executive or a Governor, but I would imagine that a lot of these people must be uncomfortable with the notion that the people who hear their appeal are the same ones responsible for determining whether the figures are accurate in the first place.

Without in any way suggesting that your determinations have been inequitable or unfair, wouldn't it go a long way toward assuaging the concerns of local officials around the country and reinforcing the credibility of your ultimate determinations, if some kind of an independent appeal mechanism were established whereby validity of your findings could be certified?

Mr. PLOTKIN. As you pointed out, Mr. Chairman, we do have procedures for appealing, and we hope to strengthen those procedures.

Mr. SOLARZ. But isn't there a basic problem with being the judge, the jury, and the defense attorney at the same time?

Mr. PLOTKIN. There is some merit in considering an independent appeal mechanism that would perhaps be best lodged outside the program agencies.

I don't think there has been any charge against the objectivity or honesty or competence of the Bureau staff in providing the best figures. Certainly another agency could review the same data, and it would seem to us that it would be a tremendous duplication of effort.

Mr. SOLARZ. How many official appeals did you get from local jurisdictions around the country of your figures based on the 1970 census?

Mr. PLOTKIN. Based on the 1970 census?

Mr. SOLARZ. Right. Do you know how many appeals you have received?

Mr. LEVINE. I don't recall the exact number at this moment.

I will point out that of course, prior to 1970, there wasn't any revenue sharing. When revenue sharing came into being in 1972, long after the census results were bound up and supposedly on the shelf,

mayors and other government officials in local communities, began to look at the census results. And we did receive complaints and concerns, some of which we have adjusted. Many of them resulted from errors in geography, frankly. We have adjusted those and continue to adjust them, when they are pointed out to us.

Mr. SOLARZ. How many complaints did you receive?

Mr. LEVINE. I don't know what the estimates are. Several thousand was the estimate.

Mr. SOLARZ. Were all of them related to revenue sharing?

Mr. LEVINE. No; because there was no revenue sharing at the time of the 1970 census. Revenue sharing came into being in 1972.

Mr. SOLARZ. But these several thousand complaints you received since 1970—

Mr. LEVINE. Of the several thousand complaints that we have received since 1970, they generally deal with revenue sharing or some other program.

Now it is CETA as well as revenue sharing. Also, some of the HUD—

Mr. SOLARZ. You have had several thousand complaints. I think it would be useful if you have the figure.

Mr. LEVINE. We can give you an account of the different type of complaints.

Mr. SOLARZ. The total number of complaints and what the breakdown was should go into the record at this point.

[The information follows:]

Of the approximately 700 challenges received by the Population Division to the EP-9 data elements (mid-1975 estimates), about 500 related to population—either alone or in combination with challenges to the per capita money income (PCI) data element.

The list of areas for which population challenges were received, their estimated 1975 population, and the revised population where changes were made is attached.¹

Mr. SOLARZ. I wonder if you have any estimate of the total number of complaints which resulted in adjustment of your figures?

Mr. LEVINE. That is difficult, too, because it depends on whether you are talking about adjustments at the time of the 1970 census, where again people from local communities raised questions, and we may have adjusted them right then and there.

Or, are you talking about just the ones that are referred to in the Director's testimony?

As we say, there were some 700 of which 15 percent were changed, and that is dealing with population or per capita income.

Mr. SOLARZ. Were there any appeals from your determinations in the courts by jurisdictions that were unhappy with your final determination?

Mr. LEVINE. There were suits filed in a number of cases, not against the Bureau per se. I participated in a suit filed against the Labor Department on the use of census data and the undercount problem in regard to CETA, and the Judge upheld the position of the Labor Department in finding that the techniques and methodology used in developing estimates, and the materials which were germane to that particular case, were neither arbitrary nor capricious.

¹ Retained in subcommittee files.

I think there were others. There was a suit filed with regard to determinations we made under the Voting Rights Act for the Justice Department. And I believe again the judge sustained the Bureau. I believe there are other cases that are not known to me, where this may have occurred.

Mr. SOLARZ. But the last thing I think Congress wants to do at this point, is to create another useless agency. I remember seeing the television report about some bureau, where a fellow listened to Beethoven records all day because he had nothing to do to occupy his time at \$37,000 or whatever a year.

But assuming some kind of an independent unit was established to make independent evaluations of these complaints, would it in fact have enough work to keep it busy, or would it sort of be a bureaucratic excrescence with nothing useful to do?

Mr. LEVINE. I think that depends, Mr. Solarz, on what that agency is charged with doing. I think there is a distinction that should be made between evaluation, between audit, and between adjudication. Generally we evaluate methodology, and the Bureau looks forward to anyone and everyone in evaluating its methodology.

You are talking about an implementation methodology in producing an estimate and you are talking about a type of audit and judicial process where someone differs with you. It is not clear whether such an agency would be involved in all of those, or only one of those. Because of legislation there might be an increase in challenges because communities might feel they certainly have nothing to lose. An agency could have 38,000 challenges in no time at all, or they could have the same number we had, which was 700, or 500, whatever the number is.

Mr. SOLARZ. One final question.

You say about 15 percent of the complaints to which you referred in your testimony resulted in adjustment.

Would you say that the remaining 85 percent are more or less satisfied that every reasonable effort was made to establish the facts? And that even though they may not be happy with the results, they at least go away with the feeling that, given the resources and the methodology available, a fair determination was made?

Mr. PLOTKIN. I would say that in general the feeling is that they are satisfied with the results.

Out of the total estimates made, only those communities complained, of course, where they believed the estimates were lower than their count. So that eliminates a number. And we have evidence that the others that do not complain, for the most part, feel that these estimates are as good as can be provided.

Mr. SOLARZ. Will you be able to provide the committee in short order with a list of those jurisdictions that have objected to your determination since the 1970 census?

Mr. PLOTKIN. Certainly.

Mr. SOLARZ. I think that will be useful to us in the way of making some independent determination on how they felt about these procedures.

Mr. LEVINE. I would like to point out, Mr. Chairman, in some cases in 1970, for example, the mayor of Chicago decided to go out and count some areas himself. And his counts didn't come anywhere close to ours. They were much lower.

I would also like to point out in light of the fact that the mayor of New Orleans testified today, that we work with State designated agencies. And in the case of New Orleans—as in other large places, we have three or four methodologies which we use.

In the case of New Orleans, the techniques that we have employed are generally the same ones that are employed by Louisiana Tech. However, the director of finance in New Orleans felt that the evidence provided by the city, notwithstanding the review by ourselves or by the university, was inadequate and that he wanted to adjust the figures. And so he adjusted them.

Mr. SOLARZ. How many people in the Bureau are involved in the process of drawing up the questionnaires, and then evaluating the results?

Mr. LEVINE. That is a very difficult question to answer offhand, because I don't know quite what you mean by drawing up questionnaires.

I would say that we have an entire division which is responsible for coordinating the decennial census activity, but it interacts very closely with the subject matter divisions, because after all we are collecting data for subject matter purposes.

Mr. SOLARZ. I don't mean clerical people. I mean people who have some kind of managerial responsibility for what goes into the questionnaire and for evaluating the results. Are we talking about dozens, hundreds, thousands?

Mr. LEVINE. I think we are talking close to 1,000.

Mr. SOLARZ. Close to 1,000?

Mr. LEVINE. I'm sorry, Mr. Solarz, I meant to say several dozen.

Mr. SOLARZ. Do these people participate in any way in the interview?

Mr. LEVINE. They participate to the extent that where necessary many of them have been out into the field to observe the pretest and accompany interviewers. Many of them will participate in the 1980 census through one activity or another by going out into the field at some stage.

Mr. SOLARZ. Would it make sense to require such participation, at least during the experimental periods, as a way of sensitizing people to some of the practical problems involved in collecting this data?

I mean, I have often found just in my own small way, that your sensitivity to the data you collect is significantly enhanced if you participated at the lower levels in trying to gather it. You get a real sense of the problems.

Mr. LEACH. Will the gentleman yield?

Mr. SOLARZ. Yes.

Mr. LEACH. In that regard, might I inquire whether any member of this committee has actually participated in census taking?

Mr. SOLARZ. I think that is a good question.

Why don't we let them answer mine first, and then we will ask the staff to answer yours. [Laughter.]

Mr. LEVINE. With regard to your question, Mr. Solarz, we can't think of a single member of this staff who has not at one time or another observed not only census interviews, but interviews of many of the surveys that we conduct, pretests connected with all of our activities. And that includes everyone through the executive staff level.

Mr. SOLARZ. Recently, not just this past—

Mr. LEVINE. In my own case I guess it would be within the last year that I have been out in the field.

Mr. SOLARZ. And perhaps counsel would like to answer the question?

Mr. FERRELL. As far as I know, no one on the staff has participated directly in these pretests.

However, the chairman did request such an involvement by an employee of the Congressional Research Service, specifically Dr. Daniel Melnick.

Dr. Melnick spent 2 weeks in Oakland, Calif., and to a very limited extent he was involved and able to talk to the employees.

But as far as the actual observation, he was not permitted to do so by the Bureau.

Mr. SOLARZ. Mr. Leach, if there are no further questions, I have just one last request.

That is, in your detailed response I would appreciate it if you could give us an analysis of the time periods that are required for you to conduct the census.

In other words, you have indicated that lead times have to be very long because of the printing problem and the testing problem. I would like to get a better understanding of why it takes so long to test these things, since a large part of your objections to the bill have to do with the time problems. If we are going to generate problems for you by making changes at this stage. I would like to understand precisely what those problems would be.

Mr. PLOTKIN. We would be pleased to provide a detailed analysis on that.

We would also be pleased if the chairman, or any member of the subcommittee care to visit the Census Bureau, and we would explain all of the procedures in as much detail as they would like.

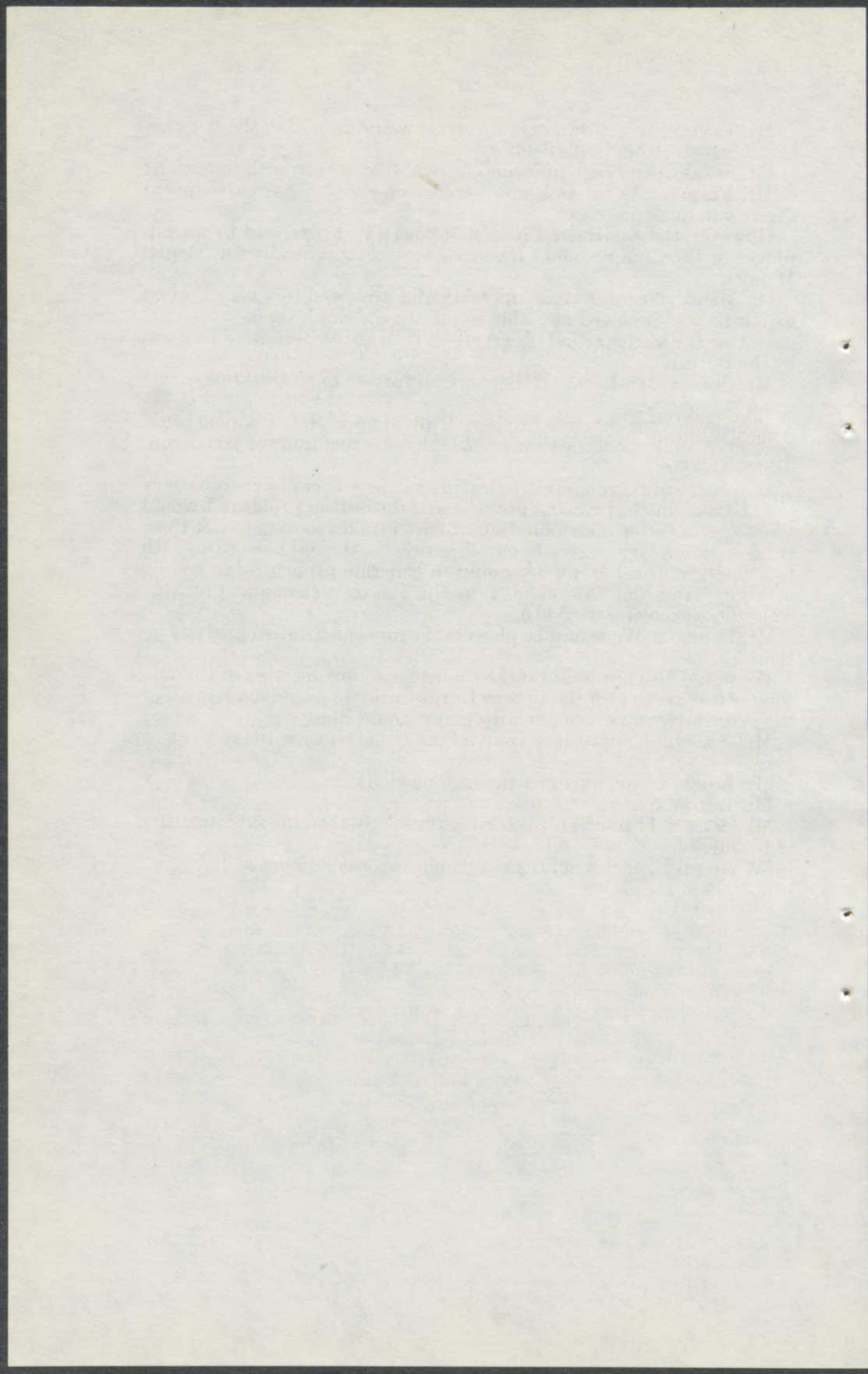
Mr. SOLARZ. I appreciate your taking so much time today to come here.

Mr. Leach, do you have any further question?

Mr. LEACH. No.

Mr. SOLARZ. If there are no further questions, then the subcommittee is adjourned.

[Whereupon, at 2 p.m., the subcommittee was adjourned.]



THE CENSUS REFORM ACT

FRIDAY, SEPTEMBER 23, 1977

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
SUBCOMMITTEE ON CENSUS AND POPULATION,
Washington, D.C.

The subcommittee met at 9:30 a.m. in room 304, Cannon House Office Building, Hon. William Lehman (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. WILLIAM LEHMAN, CHAIRMAN OF THE SUBCOMMITTEE

Mr. LEHMAN. The meeting of the Subcommittee on Census and Population of the Post Office of the Civil Service Committee is called to order.

There have been implications from the press and otherwise what the motives, what the intentions of H.R. 8871 are and I just want to say that this is no personal crusade on my part. I came into this chairmanship with an open mind and I came in without any idea of offering any substantive changes from the process that has been going on.

But I just happened to end up as the chairman of this subcommittee and from what I was able to observe and what I've been able to learn, I felt it was imperative on my part to take some kind of leadership position to correct what was apparent to me based mainly on what I learned from the Camden and Oakland pretest—that if certain changes were not made in the procedures that was apparent from these tests, these trial runs, that the 1980 census was going to be in very serious trouble.

I figured that I just couldn't sit here and wait for that to happen. I am not trying to make a career out of running a subcommittee on the census. The problem is, as I said before, that I just have to have this job and I'm not going to turn my back on what I see are the responsibilities of this job and the subcommittee chairman of this committee.

If it takes an effort to pass 8871 to do that, you had better believe I'm going to do all I can to see that it is passed.

Mr. LEACH from the minority is here today. He is a very dedicated and cooperative member of this committee, I would certainly like to see if he also has a statement to make at this time.

Mr. LEACH. Thank you, Mr. Chairman. In reviewing the census reform legislation in the past couple of weeks and examining the prob-

lems it seeks to address I have come to appreciate the task before this subcommittee and want to take this opportunity to again commend you, Mr. Chairman, for taking a bold initiative in this crucial issue and for your personal sense of responsibility in the success or failure of the 1980 census.

At the same time I remain deeply concerned, in spite of the good intentions involved, that the end result of these proposed legislative changes could well be a dramatic change in the perception as well as the quality of the census.

I have received a number of communications from knowledgeable personnel associated with the Government, with the academic community, as well as from corporate users of census data which lead me to think that the perception of what this bill attempts to do is becoming just as important as the actual bill itself.

This, as we all are very much aware, is a very sensitive area and I, for one, believe that we should proceed cautiously with any new legislation.

Again, as I stated at our last hearing, my main concerns are protecting at all costs the confidentiality of census returns and maintaining the impartiality and integrity of the entire census process.

I am particularly skeptical on that portion of the bill which seeks to establish a potentially powerful new division of evaluation located anywhere except in the Census Bureau itself.

The implications for Federal programing, Congressional redistricting, and social planning of arbitrary assignments of under or overcounts, are so enormous that there must be no intrusion, actual or perceived, of political considerations from either the Executive or the Congress.

Mr. Chairman, I trust this morning's testimony will give us a better understanding of how we should proceed with this legislation.

Thank you.

Mr. LEHMAN. Thank you very much. There is nothing political in my motivation in regard to this. In fact, I don't think anything could be of less interest to the voters in my district than what happens in the rank and file level of this particular legislation. They are a lot more interested in what is going to happen on their light bills and their medical bills and things like that.

I live in a district that is 80 percent Democratic, and the census ain't about to change that. So whatever I'm doing here is strictly to try, from my point of view, to preserve the credibility and validity of the whole census procedure.

I think Mr. Leach and I have the exact same goals in this legislation.

Panel 1, John Aiken, William Hawkes and Alfred Hong. We have Mr. Aiken as the first one. Any summarization that you can do on your Federal Statistics Users' Conference Nonprofit Research, Educational and Service Organization. I always feel skeptical when you talk about the nonprofit part of it.

STATEMENT OF JOHN H. AIKEN, EXECUTIVE DIRECTOR, FEDERAL STATISTICS USERS' CONFERENCE, ACCOMPANIED BY WILLIAM J. HAWKES, VICE PRESIDENT, A. C. NIELSEN CO., AND ALFRED HONG, CHAIRMAN, FEDERAL STATISTICAL USERS' CONFERENCE, POPULATION STATISTICS COMMITTEE

Mr. AIKEN. Thank you, Mr. Chairman I certainly welcome this opportunity to testify on behalf of the Board of Trustees of the Federal Statistics Users' Conference, to express the views of statistics users regarding H.R. 8871, the Census Reform Act.

I am accompanied by William J. Hawkes who is vice president of A. C. Nielson Co. and a member of FSUC's board of trustees; and also Alfred Hong, managing director of Marketing Economics Institute, Ltd. Mr. Hong serves as chairman of our Population Statistics Committee.

Although I'm here as the spokesman for Users I thought it might be appropriate that we have some knowledgeable users here to be able to answer some questions, and, if it is agreeable with the chairman, at the conclusion of my remarks, it would be greatly appreciated if they could take 5 minutes each to amplify some of my comments or provide some of their own thoughts.

Mr. LEHMAN. Well, we will go ahead and follow your suggestions.

Mr. AIKEN. Thank you very much, Mr. Chairman.

FSUC is a nonprofit, research, educational and service organization whose general purpose is to encourage the development of sound, adequate, and timely Federal statistics of optimum usefulness at minimum cost. Its 203 organization members are representative of all segments of the statistics user community including business firms, labor unions, nonprofit research organizations—including professional associations—State and local governments, trade associations and academic institutions.

Our board of trustees has reviewed the bill as well as the chairmen of FSUC's committees on population statistics, construction and housing statistics, and distribution statistics. The trustees met on September 6 to discuss the ramifications of the bill and to formulate views. A subcommittee of the board, and the executive director, also met with a representative group of statistics users on September 7 to review and discuss the bill. Many other individual statistics users have also been consulted. A special FSUC newsletter, dated August 31, 1977, dealing with current developments relating to Federal statistics was distributed to more than 1,800 statistics users and called attention to the bill.

I explain this to indicate the extent to which FSUC has endeavored to inform an interested public about H.R. 8871 so that it can provide some input to the deliberations of the subcommittee in its consideration of the bill. Various statistics users have communicated their individual views to the subcommittee.

In all of our discussions with statistics users, there was unanimous agreement that this is not a constructive piece of legislation, that it

might not achieve its stated objectives, and that enactment of the bill should be opposed. They expressed their concern about the broad implications of the bill not only for the Census Bureau but for the Federal statistical system as a whole.

Our organization and its individual members have been among the severest critics of the Census Bureau. But we have tried to be constructive, both because of the extensive and important uses made of Census Bureau data, and because of the Bureau's traditional candor about its shortcomings. Our criticisms have been directed toward shortcomings of specific statistical series, their quality, or lack of timeliness, incompleteness, lack of detail, and sometimes specific methodologies. However, users have not been so disenchanted with the overall operations of the Census Bureau that they felt that major reform or overhaul of its procedures and operations was necessary.

In the words of one of the members of our board of trustees:

In the nearly 200 years since the first population census was taken, the U.S. Bureau of Census has built a reputation for technical expertise and absolute integrity that is unequaled by any other statistical agency here or abroad. Statisticians, demographers, and Government administrators throughout the world have always regarded the U.S. Census Bureau as a model of efficiency, technological innovation, and highest professionalism. The U.S. Census Bureau has set the standards for census operations in almost every other country. Moreover, the U.S. Census Bureau has an unparalleled reputation for independence and integrity. This is in contrast to the experience of many foreign countries where the public and business communities are suspicious of census inquiries, and where the quality of census data suffers accordingly.

Statistics users are fearful that if this bill is enacted it would jeopardize the present high degree of public confidence in the objectivity and integrity of U.S. census data and possibly in the entire Federal statistics system.

We have always been appreciative of the great interest of the House Committee on Post Office and Civil Service in the problems and issues that relate to Federal statistics, and FSUC has done its best to cooperate in every way with that committee.

So far as concerns the expressed purposes of the act, users question whether the stated objectives can be achieved by legislative fiat. Their feeling is that this bill would establish rigidities and inflexibilities into the Bureau's operations that would seriously restrict the ability of the Secretary of Commerce and the Census Bureau Director to properly carry out their duties under title 13. The assumption in the bill is that the legislated procedures will be effective but it does not appear to allow any latitude or flexibility for modifying or altering procedures if they should prove ineffective.

It would seem reasonable and logical to address most of the problems and challenges first by urging, encouraging, and insisting that the Census Bureau make every possible effort to expand and improve its operational and administrative procedures to carry out the stated objectives of H.R. 8871. It is essential that this be done whether or not it is mandated by legislation. The Bureau has been "put on notice" by this proposed legislation. The Census Bureau Director, in testimony before the subcommittee, stated he believes "We can meet these challenges, without legislation."

THE TWO-STAGE CENSUS

Users are particularly concerned about limiting the 100-percent enumeration count to one question only on each of nine items. The bill would exclude from the 100-percent enumeration the following population items as separate inquiries: family relationship, race, and marital status. In a special survey of FSUC members conducted in 1971 regarding questions in the 1970 census, 81 percent rated the question on color or race of high priority; 69 percent rated marital status of high priority; and 62 percent rated relationship to head of household of high priority. It should be noted that combining race and ethnicity into one "heritage" question as the bill requires could jeopardize both kinds of data.

The bill would eliminate from the 100-percent enumeration the following housing items: value of housing unit, contract rent, tenure, and complete plumbing facilities. The 1971 FSUC survey indicated that 75 percent of the respondents rated value of housing unit of high priority; 72 percent rated contract rent of high priority; and 61 percent rated tenure of high priority.

In the Census Bureau plans, it is recognized that there is a need for certain data for small areas and a limited number of relevant questions would be included in the 100-percent enumeration.

MR. LEHMAN. I may interrupt you from time to time. We had Mr. Scammon here. You were talking about the 100 question, we were talking about the 25-percent sample, and he said a 3-percent sample is more accurate than 100 percent. If I could quote him—"3 percent is more accurate than 100-percent enumeration."

So, you know, these are the kinds of things that confuse us.

MR. AIKEN. I am a spokesman for statistics users and I'm not an expert in this area but I'm sure that there are many people who are acquainted with those problems of sampling and sampling techniques who—

MR. LEHMAN. I get to thinking about how these networks on Nielsen ratings and things like that. We have someone from Nielsen here. They invest millions of dollars on a fraction of 1 percent.

MR. AIKEN. Well, our organization has always been concerned with the need for small area data, and, as a matter of fact, our 1971 survey showed that 27 percent of users needed data for minor civil divisions, townships, or city blocks.

In addition to that, 59 percent said they needed data at the county, urban places, or census tract level. In other words, 86 percent of statistics users require data at the county level or below indicating that there is a great deal of need for small area data.

As far as we are concerned, experience has indicated that inclusion of a limited number of items in the 100-percent enumeration has not proved to be unduly burdensome, contributory to respondent resistance or to a lessening of public cooperation. The additional data can be collected at very little marginal cost.

MR. LEHMAN. Let me just correct one thing. The testimony shows that Mr. Scammon said 2 percent, not 3 percent. I just want to get the record straight.

Mr. AIKEN. Only the 100 percent enumeration provides data for each community, no matter how small, and for subdivisions within communities such as city blocks. By limiting the number of questions which may be asked on a 100 percent basis, data needed for such small areas by municipal governments, planning bodies, and State and Federal Government agencies would no longer be available from the census. The result would be a proliferation of local surveys taken at different times and under varying conditions. They would of necessity have to repeat some of the basic questions already included in the census. It is difficult to evaluate the burden on the public from such local surveys, as well as the potential inconsistencies with federally collected data.

The 1971 FSUC survey showed that 27 percent of users needed data for minor civil divisions (township) or city blocks. An additional 59 percent said that they needed data at the county, urban place, or census tract level. In other words, 86 percent of the statistics users require data at the county level or below.

Experience has indicated that the inclusion of these limited number of items in the 100 percent enumeration has not proved to be unduly burdensome, contributory to respondents resistance or to a lessening of public cooperation. The additional data can be collected at very little marginal cost.

Statistics users have also expressed great concern about the problems of collecting characteristic data after the 100 percent enumeration is complete.

Since the two phases are separate in time, perhaps by as much as 4 to 6 months, it would be necessary to ask for the basic information about the persons included in the sample for a second time. This means that for a total of about 45 million persons certain questions will be asked twice. While it may appear that the information collected in the enumeration could be transferred to the schedules for the sample survey, the enormous and time-consuming job of matching the large number of questions involved in two different collection efforts would preclude this. There are substantive reasons why such matching would not be feasible. During the several months between the two data collections, up to 10 percent of all persons would have changed addresses, and many other households would have undergone changes due to deaths, births, marriages, divorces, and other movements of persons into or out of households. Some housing units included in the enumeration would have been lost through fire, demolition, conversion to non-residential use, consolidation or abandonment. Some units which were vacant at the time of the enumeration would be occupied at the later date and some of the previously occupied units would become vacant. New households would have been established and some households would have been dissolved. Although the persons living in group quarters, that is, institutions, barracks, dormitories, rooming house, et cetera, appear to be excluded from the survey, it appears unlikely that this is the intent of the bill. In any event, during the interim, some persons would have moved to group quarters and others would have left group quarters to establish new households or join existing ones. Some local areas would have experienced changes due to the movement of mobile homes.

The dynamic society in which we live does not permit the assumption that conditions would remain static for a period of 6 or even 4 months. To make meaningful the information about education, migration, employment and unemployment, and earnings which is to be collected in the sample survey, it will be necessary to repeat the questions previously asked in the enumeration concerning name, address, sex, age, heritage, along with the information about persons in the households who are not residents at that address. If it is found that additional information is needed in the supplemental enumerations—a contingency provided for in the bill—the relevant questions would also need to be repeated at that time, with some persons required to respond to three separate inquiries.

In addition to the administrative difficulties cited in merging first stage and second stage respondents and integrating the results of the two surveys, users believe that other inefficiencies will result from the two-stage design:

(1) The duplication of effort would increase respondent resistance, lessen public cooperation, and thereby lower the quality of the data collected.

(2) Substantial cost increase would be incurred.

(3) Serious delays would be encountered in the publication of the second stage results.

Users have also expressed their concern about providing greater access to individual records to State and local governments and to the staffs of the Congressional Research Service and the General Accounting Office. This broadening of access would open the door to opportunities for breaches of confidentiality. Users are fearful that the present high degree of public faith in the excellent record of the Census Bureau in guaranteeing and preserving confidentiality will be eroded. This would have an adverse effect on the extent of public cooperation in censuses and surveys.

Title 13 gives the Secretary of Commerce the authority to determine who will have access to individual records, after such persons are sworn in as Census Bureau employees and subject to penalties for disclosure. It is not clear from the language of the bill to what extent the Secretary can limit access to data to State and local officials and staff employees of the Congressional Research Service and the General Accounting Office. Users believe that access to individual census records should continue to be limited.

Statistics users are especially concerned about the proposed establishment of an independent Division of Evaluation within the Department of Commerce and question whether this represents the best option and mechanism for undertaking the important function of evaluation.

It is recognized that evaluation is an essential ingredient for further improvement in statistical programs and the products of those programs.

The President's Commission on Federal Statistics focused attention on the importance and value of evaluation of statistical programs by Federal agencies and upon the constructive role of advisory committees in this process. That Commission also gave considerable attention to the subject of statistical audits and identified the principal areas that

should be examined in the auditing process, even to the extent of providing a checklist. It is generally recognized that periodic, independent outside evaluation of all statistical programs by an impartial body of experts should be among the basic design features of the Federal statistical system. This was emphasized by a small group of experts who attended an Office of Management and Budget seminar on Federal statistical reorganization held in late July.

The report of the President's Commission on Federal Statistics also stated that the evaluation process requires leadership, initiative, and imagination. It added: "The young men and women being trained in the statistical programs or educational institutions who possess these traits are not likely to be attracted to Federal service unless they see an opportunity to exercise their skills. The process of evaluation per se provides this opportunity so that we have an interesting example of feedback. The more evaluation is done the more likely it is that able young people will be attracted to the service of Government. And the more able young people who enter the Government the greater the chance that evaluation will be undertaken." If the Census Bureau loses its authority to determine census and survey procedures it will also lose the ability to attract creative and innovative statisticians who are concerned about the problems of methodology. It would inhibit Census Bureau employees in the exercise of "leadership, initiative and imagination" required for the evaluation process.

All major statistical agencies undertake evaluation studies of their programs and statistical techniques and methodology. They place a high priority on this function. There is always room for improvement in this self-evaluation process and some of the shortcomings may be the result of inadequate resources for carrying out more extensive evaluations. We respectfully suggest that this is an area that may deserve further study and consideration.

Of the major statistical agencies in the Federal Government, the Census Bureau has been in the forefront in both methodological and applied research. It has pioneered in self-evaluation and in reporting on the validity and limitations of its statistical products. This evaluation process has resulted in improvements but more can and should be done to achieve further improvement.

Mr. Chairman, I believe there are many independent experts outside of Government who share our views that the Census Bureau has a strong record of acknowledging the shortcomings and limitations of its statistical work, seeking outside assistance in the evaluation and improvement of statistical methods, and making known to the professional community and other interested people the nature of its research and the methods used to correct and adjust reported information. The present flexible authority of title 13 is extremely important to continuing these processes and the bill present serious risks that the evaluation of statistics would be impaired rather than enhanced by rigid prescriptions for evaluation.

In light of the foregoing statements, and the fact that H.R. 8871 recognizes and emphasizes the importance of evaluation, it is suggested that the first step should be to increase considerably the resources of the Census Bureau in order to expand its efforts in this direction. So far as questions regarding the objectivity of self-evaluation are concerned, statistical evaluation is a unique function because

of its technical nature. We know of no instance where an independent expert outside of the Government has ever accused the Bureau of a lack of objectivity or integrity in conducting and reporting on its own evaluation.

The Census Bureau has the knowledge, experience, and expertise to conduct evaluations. It is believed that the Director of Evaluation might have trouble recruiting experts with technical competence equal to or better than Census Bureau professionals who have been successful in developing improved techniques and methodologies. Further, if the Division of Evaluation team has not had experience working with actual Census procedures this inexperience could possibly dilute the standards and reduce the accuracy of the evaluation results. Users also question whether the time available for evaluations by the Division of Evaluation might not result in unduly quick and superficial evaluations that would be of low quality and grossly misleading. It is essential that statistical evaluations be of high quality. They require time and intensive effort.

Mr. LEHMAN. You are saying that the Census Bureau should evaluate—

Mr. AIKEN. I think that their present efforts should be strengthened with additional staff and funds.

Mr. LEHMAN. Independent of the people that gather these facts?

Mr. AIKEN. I'm not acquainted with all the details of the structure of the Census Bureau, but I know they conduct evaluation and I think those evaluation efforts ought to be strengthened.

Mr. LEHMAN. Well, let me just get this real clear. Anybody that evaluates their own function is not objective. I don't care whether it is General Motors doing its own audit or a bank doing its own audit. We are talking about \$70 billion in Federal funds that's going to be distributed on census data.

We had an independent function—the bill originally called for an independent evaluation procedure within the Census Bureau. We got objections to that because they said it would “bulk” the Bureau and I don't know—I agree that could happen. I don't agree that any Federal bureau should audit its own procedures. Certainly—

Mr. AIKEN. Well, all of the agencies now do that, sir.

Mr. LEHMAN. I think that all those agencies are subject to oversight by the congressional committees and oversight by arms of the Congress such as GAO and others. I think that if they are not that they should be especially when the data that they collect and the decisions they make regard \$70 billion in Federal funds.

This is not a question of community pride or city ego, this is a question of dollars and cents now based on the census information. I'm not married to any type of evaluation procedure. The only thing is that I want to separate evaluation from a conflict of interest. I want to separate evaluation from a disruptive influence within the Bureau itself, but I want an evaluation that is meaningful and is independent. And that's what I think is important.

The subcommittee will recess in order for the Members to vote.

[A short recess was taken.]

Mr. LEHMAN. You may continue, Mr. Aiken.

Mr. AIKEN. I know that you have suggested that statistical self-evaluation is not particularly subjective. Statistical evaluation is a

unique function because of its technical nature; it can be pretty objective; and I think it is a prerequisite for any statistical agency to engage in self-evaluation.

From the standpoint of executive organization and management, users are confused and disturbed about the establishment of a Division of Evaluation in the executive department, but which Division is responsible not to the Secretary of the Department, but to the Congress. To our knowledge, this is unprecedented and if this type of arrangement should be extended to other Federal departments and agencies, we wonder what the impact would be upon the independence and effective operation of the executive branch of Government.

This type of organizational arrangement raises a number of questions that users feel need to be answered:

(1) Is it proper for an agency of the executive branch to report to a congressional committee rather than its parent organization?

(2) Does this not violate the principle of division of responsibility between the executive and legislative branches?

(3) Would this type of arrangement open the door to a politicization of the Census Bureau and ultimately the Federal statistical system?

(4) a. Doesn't this organizational arrangement shift the responsibility for, and control of, Federal statistics gathered by the Census Bureau from the Secretary of Commerce to the Deputy Director for Evaluation?

b. If this arrangement does shift such responsibility: (1) Is such a new and untried organization capable of carrying out these responsibilities, particularly at this stage of planning and preparation for the 1980 Census of Population and Housing? (2) Will it not involve a duplication of effort? (3) Will it not require a substantial increase in staff and funding to carry out these responsibilities?

The timely collection, tabulation and publication of Federal statistics has been and continues to be a major problem of statistics users. In the past several years FSUC has undertaken two in depth surveys of its members to identify their problems relating to timeliness. Two comprehensive reports were issued.

Timeliness is vital to the successful and efficient operation of the Federal statistical system and to the ongoing policy, planning, and administrative needs of both Government and private sector users of Federal statistics. Statistics are not an entity in themselves; they are developed to be used. They are a perishable product and must be available and on hand when they are needed. Lack of timeliness diminishes the usefulness of Federal statistics in dealing with immediate problems and for making urgent decisions.

The provisions of H.R. 8871 will result in new, unnecessary, and untenable delays in the collection, tabulation and publication of the statistical products of the Census Bureau.

There are other technical aspects of the bill that have been dealt with by knowledgeable statistics users in conversations with the staff of the subcommittee or in letters to the chairman of the subcommittee.

In summary and conclusion Mr. Chairman, I have attempted to identify some of the major areas of concern of statistics users as they have been called to our attention. As I said in my opening statement the purpose of our organization and its members is to encourage the

development of sound, adequate and timely statistics of optimum usefulness at minimum cost. Users believe that the bill will have an effect opposite to that of its stated goals because it will probably provide less accurate, less timely, and more costly data than under present plans. It would increase reporting burden and run the risk of eroding public confidence in the objectivity and integrity of Federal statistics.

At the present stage of planning and development for the 1980 census, we are fearful that the dramatic changes in census content and untested procedures as are called for in the bill, and at this late date, would seriously impair the ability of the Census Bureau to carry out a successful census. For these reasons we are opposed to enactment of this legislation.

Thank you, Mr. Chairman. I would appreciate it if Mr. Hawkes could take just a few minutes to make his own comments and then Mr. Hong.

Mr. LEHMAN. Do they have statements in writing?

Mr. AIKEN. No. These are statements which they have just written out on their own. I don't think that they will require more than 5 to 6 minutes each.

Mr. LEHMAN. All right, so long as it is 5 or 6 minutes and we will submit the statements as a whole. We just don't have the time today. There is very little of this we haven't heard before, believe me. Everything that has been said we have heard.

Mr. HAWKES. I appreciate that, Mr. Chairman, and rather than elaborating on the specific concerns that have already been covered at length by others who have testified before you, I would like to share with the committee a perspective on this issue that as far as I know has not been brought up at the previous hearings.

That perspective arises from the experience that my company has had in working with census data, not just in the United States but in 21 foreign countries around the world. The A. C. Nielsen Co., among other things—

Mr. LEHMAN. I mentioned your name a few minutes ago.

Mr. HAWKES. Yes; you did. We provide the manufacturers of consumer goods with marketing information on the flow of their products in the retail marketplace throughout the world. And in carrying out this work, as well as in our television audience research, we do make extensive use of the data that is supplied by the U.S. Bureau of the Census, both in its demographic and in its economic census programs. And we have worked closely with businessmen who have come to rely on census data for information on the industries they represent and the markets they serve.

Now, these years of experience have given us the unique vantage point from which to appraise the quality of census data here and in the other countries in which we operate. As we have expanded our services worldwide we have come to appreciate more and more the greater efficiency and assurance with which civic organizations, Government agencies, and businessmen can make decisions in the United States because of the superior body of statistics provided by the U.S. Bureau of the Census.

It has a unique reputation for integrity and for confidentiality.

In many countries in which the Nielsen Co. operates we find that businessmen are mistrustful of data provided by their census bureaus,

particularly the statistics relating to economic fields. This distrust reflects the perception, rightly or wrongly, on their part that the data submitted to census bureaus in other countries are often given with possible access by other Government agencies particularly regulatory agencies, in mind.

And the quality of census figures in these countries suffers accordingly. In some countries we found that the census data are totally unusable because businessmen don't trust the census bureaus.

In contrast, the U.S. Census generally receives full cooperation from the business community in carrying out its programs, even voluntary censuses. This reflects the very special covenant of trust made possible by the confidentiality provisions of title 13.

Mr. LEHMAN. Mr. Hawkes, we all know the Census Bureau is wonderful and it is the best census bureau in the world and we have the best telephone system in the world and the best postal system in the world, and the best press system in the world. But, believe me, all of those systems are subject to the kind of evaluation—at least we don't get 100 percent public acclaim for all of these.

I don't argue that we don't have a good—compared to the rest of the world—a good Census Bureau, but I am saying that we used to have the best automobile industry in the world and now what happens?

What I think we are trying to do is to prevent what has been historically a good bureau and kicking and screaming into a modern society that won't be able to adjust to it—

Mr. HAWKES. I appreciate that. One of the reasons that the Census Bureau has been the best has been because of the extremely restrictive provisions in title 13 in restricting access.

Mr. LEHMAN. There is nothing in this bill that destroys confidentiality. I wish people would not keep thinking that we are going to blast confidentiality. We are going to protect confidentiality, if anything.

Mr. HAWKES. I am concerned that there is a perception on the part of people whose cooperation is required to provide good economic statistics on gross national product and on figures like this. Any watering down—

Mr. LEHMAN. Well, when they start counting housewives' work as part of the gross national product in its real meaning then I think gross national product has no validity. Would you like to add anything to that, Ms. Schroeder? [Laughter.]

Mrs. SCHROEDER. No. [Laughter.]

Mr. HAWKES. We are also concerned that the imposition of a division of evaluation over the Census Bureau would subject census data to allegations of control that would be damaging to their perceived quality and usefulness.

We think that to take the control of census enumeration out of the hands of these experts and to hamper their operations by untested methodology would make the census data much more costly, much less useful, and much less credible.

I think it is important to distinguish between an oversight or auditing function on the one hand, and a control function on the other hand. Let me give you an example.

The Nielsen Co.'s procedures for our television ratings are audited by the Broadcast Rating Council. They want to be sure of two things. One, that we are applying accepted statistical procedures in our operations, and, two, that we actually carry out what we state we do.

Mr. LEHMAN. I didn't know that the Broadcast Rating Council audited census data.

Mr. HAWKES. Of course, the Broadcast Rating Council does not come in and specify exactly how we should take out the surveys, just as our financial auditors don't tell us exactly how to keep our books. All they want to be sure of it that we keep our books in accordance with statistical procedures.

Now, the Census Bureau does have an Associate Director for Research and Statistical Standards who reports directly to the Director of the Bureau of the Census, not to the subject matter people. The reason this division has been set up this way is to provide the census with this independent check on the work of the subject matter division, just as in the Nielsen Co. the chief statistical officer reports to the President of the company and not to the division heads, again for the same reason.

We feel that our body of Federal statistics is too important to uproot the expertise and the acceptance which the Census Bureau has earned by its professionals over the past 40 years.

The people at the Census are the ones who have written the textbooks on sampling theory. The professionals at the Census Bureau have acted as consultants to census operations in dozens of countries throughout the world.

It would be difficult to find any outside social scientists who would have more expertise in the field of social surveys, in the field of census than the professionals at the Bureau.

I think they need our help and our support, but not our interference.

Mr. LEHMAN. Well—

Mr. HAWKES. This is my statement.

Mr. LEHMAN. For your information, I think the head of the Evaluations Bureau is a vacant seat right now. Also, I understand that that same job also has authority over design—so, I really think you get into a conflict there.

I don't want to pursue that. I appreciate the professionalism of the Census Bureau. Also, I think that there is a limitation of professionalism, there is an ivory tower, holier-than-thou attitude that you can get in professionalism that somehow or another gets shut off from the real world.

I sold used cars for 20 years and I ran for office five times. That's when you really get to be professional. When you are out there, the matter of dealing with people and knowing what people are thinking about—the census data and the people that deal at that level of professionalism sometimes I have reservations about.

Whether they are really dealing with the real world or sitting up in their ivory tower playpens juggling figures—

Mr. HAWKES. I would like to answer one question that you asked earlier in connection with the Nielsen television ratings. You asked how 1,200 homes—why is it 1,200—

Mr. LEHMAN. My daughter now, she's not a good example—she's the most unreliable person you could put into a TV audience.

Mr. HAWKES. All right. But I think this may help clarify what I think Mr. Scammon's statement was a couple of weeks ago. In carrying out any sort of survey operation there are two sources of errors.

One source arises from the fact that when you take a sample until

you have variability for that reason. The other source of error arises from what is called bias because some people aren't counted who should be.

Now, for some purposes it's better to take a sample. For example, if your purpose is only to obtain national estimates and you are biased—let's say your undercount may be big, 2 or 3 percent—for certain purposes you can do a better job with a sample because then you can tighten administrative controls; you can carry out a lot of special procedures that you can't do for a census.

But, if you are trying to get data for small areas, their sampling won't work because then the sampling variability is so big that it overwhelms the undercount.

Mr. LEHMAN. I took statistics in college and I know something about sampling. When we run for reelection we do an awful lot of what we think is pretty good sampling. And our sample comes out right on the nose and we do it maybe for a district that—50,000 in the Democratic primary we can make 300 to 500 phone calls and be within 1 percent of what we are going to get in any area of that district.

So, I know—you know—where we are. I can understand the limits. I think we will get to Mr. Hong to keep things moving.

Mr. HONG. Thank you, Mr. Chairman. As the Chairman of the FSUC Committee on Populations Statistics and one who has spent 25 years analyzing, interpreting, and updating census information—first as Chief Economist and then as Director of Research of the Sales Management Survey of Buying Power and now as Managing Director of Marketing Economics Institute, I have witnessed the steady-rising stature of the Bureau of the Census and the growing reliance not only of Federal, State, and local governments, but also millions of businesses, on statistical information which the Bureau gathers.

It has established a reputation for excellence and built-in authority with its findings.

The United States is a highly developed dynamic economy undergoing continual changes, and Americans are very mobile. It is in recognition of these facts that Congress saw the need for a mid-decade census last year. This is a landmark piece of legislation.

It will enable the Bureau to adopt new methodology in conducting the census to refine the accuracy of its findings. I commend your committee for its dedication and high purpose. With the congressional mandate to conduct a census every 5 years, your committee has the opportunity to introduce significant changes that will substantially improve the conduct of these censuses.

First of all, parts of the questionnaire can be simplified if social security numbers are assigned and more meaningful information coded in the social security number; codes that will represent the person's date of birth, place of birth, sex, and race.

On the one hand this will permit the census respondent to provide information on his age, sex, and race, simply by writing in the social security number. It will also permit the use of administrative records to validate the accuracy of the census count.

A considerable part of the census undercount is attributable to the high—mobility of American youth. This social security coding system initiated at the time of birth will enable the census to use the com-

puter to trace the movement of Americans through their entire life cycle, through their school years—

Mr. LEHMAN. Can I just interrupt you a minute. You scared the hell out of me there. [Laughter.]

Mr. LEHMAN. You want identification cards for all Americans?

Mr. HONG. Just simply the idea that nowadays we have the social security number. The only change is to have the social security number assigned at the time that the child is born rather than for individuals to apply for them—

Mr. LEHMAN. For everybody in this country to be a part of the data bank?

Mr. HONG. Not necessarily.

Mr. LEHMAN. Everybody from their date of birth? Boy, you are talking about the end of our democratic system. Keep on talking.

Mr. HONG. This will enable the census to automatically evaluate their procedures and modify them according to the changing needs of the times.

Moreover, this system will enable the census to relate individual census records from one census to the next so that the census can achieve efficiencies from the more frequent conduct of a census and with the assistance of computer technology.

As so happens in the administration of human affairs, the Federal establishment is so large that each of the separate departments is focusing its attention toward the fulfillment of its own responsibilities. It requires considerable plodding and persuasion to introduce a change in bureaucratic procedures.

But what we have suggested here will not only minimize the need for evaluation but also enable the Congress and the administration to better meet the challenges of our time, high unemployment among the youth of our Nation.

Mr. Chairman, I believe you have a real opportunity and a challenge to work together with the other committees who oversee—the Department of Health, Education, and Welfare, the Social Security Administration, the Department of HUD—to insure that there is an integrated system so that we can realize the problems that our citizens are facing.

We can then have a program that can realistically focus upon the solution of those problems.

I believe that we have really a challenge to face up with the problems of our Nation's youth.

Mr. LEHMAN. Well, I think your testimony has been very valuable and certainly sincere and I can see and respect everything you have. I am still bothered that we live in an open society and an open society certainly has its faults, but I think one way to close off this open society is a proposal such as you made. Right now I'm not ready to give up part of our open society.

Mr. HONG. I don't believe my suggestion is intended to give up on the open society. Rather, I believe that what I am trying to suggest here is a way to solve some of the problems that our society is facing so that instead of having youths who are going to rebel against us that they will be with us.

One of the problems today is that we have no facts on where our youth are and why they are having the problems they do. And the reason is that we don't have any clue as to where they are.

Mr. LEHMAN. Mrs. Schroeder.

Mrs. SCHROEDER. I just want to ask a quick question about the nature of your business. Have any of you worked for the Census Bureau? Have any of you ever worked at the Census Bureau?

Mr. HONG. No.

Mrs. SCHROEDER. Has anyone ever had a consultant contract—any kind of a contract to do a project for the Census Bureau?

Mr. HAWKES. I have been an expert working for the Census Bureau for about 3 weeks back 10 years ago in a program they were working on. That's the extent of my involvement with the Census Bureau.

Mrs. SCHROEDER. And no one else has?

[No response.]

Mrs. SCHROEDER. What I understand you do is that you get data from the Census Bureau and you deal with it in some way and sell it to other people. Is that in essence what you do?

Mr. AIKEN. Well, let me say this. As an organization, the FSUC, does not gather data, does not disseminate it—our primary function—and let me say what my function is as executive director—I am probably, and I venture to say that I am the only person in the country whose full-time efforts are 100 percent devoted to following and monitoring statistical activities in the Federal Government and reporting to statistics users. I—

Mrs. SCHROEDER. Who pays for that service?

Mr. AIKEN. Our members through dues.

Mrs. SCHROEDER. And why do they think it is important?

Mr. AIKEN. Because they are concerned with the Federal statistical system as a whole and want to get together; they have a mutual interest in the improvement of the Federal statistical system.

Mrs. SCHROEDER. And how are they using them?

Mr. AIKEN. We hold four meetings a year at which we bring together the users and the producers on certain subject matters where they can discuss their mutual interests and exchange views.

For example, 2 weeks ago we held a fifth special conference on sources and uses of small area data. There were more than 200 people there. I inform them of what's going on and of what products have been published through a regular newsletter. We try to serve as a conduit between the users and the producers to indicate what the needs of users are.

In many respects I consider my organization as a public interest group. We represent a lot of publics.

Mrs. SCHROEDER. Except in a way, if the Census Bureau were more efficient and the Federal statistics were better done we really wouldn't have a need for that. I mean, the hope would be that you wouldn't have to have an intermediary between the citizens and the Federal Government to get data.

Mr. AIKEN. Well, planning of statistical programs in a participatory process which the OMB has recognized it does that through advisory committees and organizations such as ours.

We have different groups in our membership, business firms, labor unions, academic institutions, and organizations like the conference board, and the National Bureau of Economic Research—

Mrs. SCHROEDER. And you are a member of one of these advisors boards?

Mr. AIKEN. I have served as a member of the Census Bureau Advisory Committee of the American Marketing Association. Many of my members serve or have served on advisory committees in their own right.

Mrs. SCHROEDER. Uh-huh. Sure.

Mr. AIKEN. So we are primarily engaged in communications between—

Mrs. SCHROEDER. You tell people what it is that the Government is doing—

Mr. AIKEN. Yes.

Mrs. SCHROEDER [continuing]. So that they may be able to use it.

Mr. AIKEN. What's available. And if they have a problem that they think should be corrected—maybe some of the methodologies aren't correct—we will transmit these views to the various agencies.

Mrs. SCHROEDER. All right.

Mr. AIKEN. In other words, we do not engage in any statistical data collection. We are a very small organization.

Mrs. SCHROEDER. My time is just about up. I just wanted to make that clear.

Mr. AIKEN. OK.

Mrs. SCHROEDER. I just want a quick comment before I leave. What I'm hearing from you is what I heard from the military as I stood on the Armed Services Committee, that we certainly can't have anyone in Congress knowing what we are doing, we don't want anyone in the White House to know what we are doing, if possible; it's national security, it is a very important process.

And I really hear that same kind of thing. I can only tell you what we have been able to work out and it hasn't been demonstrating to everybody and it is kind of dependent on—

Mr. AIKEN. I don't get the relationship because everything we do is completely open.

Mrs. SCHROEDER. All right, what you do. But what you are saying about the census as to why it should not have any outside audit—I'm sure the Pentagon does not enjoy having GAO come in and go through their weapons—

Mr. AIKEN. No. Absolutely not. We know that GAO has an auditing responsibility. They have a Government's Division and within that Division a Statistical Audit Division. That is a proper function for them.

Now, they can audit at the request of the Congress or they can initiate an audit on their own. I think that's fine. We welcome that kind of audit. We welcome oversight of the statistical activities of the Federal Government. In fact, we wish there were more of it.

Mrs. SCHROEDER. But at the same time you are also saying that you think it breaches confidentiality if there is too much of it. And I think people become more sensitive.

Mr. LEHMAN. If we don't go we are going to miss our vote. The committee stands adjourned until we get back from voting.

[Recess.]

Mr. LEHMAN. We will reconvene the meeting. Mr. Leach, do you have any questions?

Mr. LEACH. Well, I might just begin by saying, Mr. Hong, I appreciated your approach that some changes could be made. I think most of us will agree with the chairman that the goal of the census is efficiency but not perfection. However, many of us would be disturbed, if, as you suggested, the census began to trace the entire life cycle of an individual. What we are trying to do is compile statistics of a country not the life history of individuals.

I don't think your particular approach is something that would receive congressional approval, but I do agree with your views that changes can be made and that there are positive alternatives.

In that regard, Mr. Aiken, you presented a fairly good analysis of why this approach shouldn't be undertaken, and I would like to ask, if you were on the other side of the fence and were to propose changes, what would you suggest?

Mr. AIKEN. Mr. Leach, we have said it is generally recognized, and we recognize, that periodic independent outside evaluation of all statistical programs by an impartial body of experts should be among the basic design features of the Federal statistical system.

In the early 1950's the Secretary of Commerce appointed an intensive review committee to appraise Census Bureau programs. That report was issued in 1954. The chairman of that committee was Ralph Watkins, who, incidentally, was a founder of the Federal Statistics Users' Conference and served as the first chairman of our conference.

Now, that's one approach by having an evaluation or an appraisal, or a review of programs.

Recently the Emergency Jobs Program Extension Act of 1976 provided for the establishment of a National Commission on Employment and Unemployment Statistics. The law requires the President to select nine members with the advice and consent of the Senate to serve on the Commission.

Those members are to be broadly representative of labor, business, finance, education and training, economics and statistics, State and local governments, and the general public. And, in addition to that the law provides for a 13-member advisory group composed of 7 members of the executive branch and 6 members of the Legislature.

I think this represents a very powerful, broadly based group of competent people. And included in that advisory group are the Secretary of Labor, Secretary of Commerce, Commissioner of Labor Statistics, Director of the Census, Director of the Office of Management and Budget, Chairman of the National Committee on Manpower Policy.

The members of the Congress would be chosen from the Joint Economic Committee, the Senate Committee on Human Resources, and the House Committee on Education and Labor.

The Commission's deliberations are to extend for 18 months and the Secretary of Labor has 6 months to react to the findings and 2 years after submission of the final report to indicate the actions taken.

That Commission will utilize a full-time staff. It will hold public hearings, and it will utilize outside consultants, and various advisory groups.

Just to get to the specifics of what is considered in this bill, in addition to its general mandate, there are charges for examination of the methodology of collection, analysis and publication of data; for the determination of need for certain types of surveys or data, and the determination of the relationship of certain types of data and analysis to various programs and policies.

Then the Commission will examine specific types of surveys, including the current population survey provided by the Census Bureau. And those examinations are to encompass sample, size, selection, representativeness; survey methodology, concepts, analysis and publication of data; and comparisons of differences in survey results.

I think that's a very excellent setup. And a very strong body with time to do a proper job. If there is to be a review, analysis, and evaluation of the Census Bureau in any of its programs I would certainly lean heavily toward this type of an arrangement.

I am apprehensive about the establishment of a permanent body which might be able to exercise control over and inhibit the day-to-day operations of the Census Bureau. But this, to me, represents—

Mr. LEACH. Are you suggesting, then, when you talk about this Commission and its responsibility, that really the Congress itself should play no role?

Mr. AIKEN. It does play a role in the way—

Mr. LEACH. In the appointment only but not in the review?

Mr. AIKEN. Yes. In the advisory group. The advisory group is to assist and participate in the hearings, deliberations, and other activities and that includes Members of the Congress and the executive branch. So you have input here—

Mr. LEACH. Yes.

Mr. AIKEN [continuing]. From both the legislative and executive branches of the Government, which I think is very essential.

Mr. LEACH. Yes. Thank you. I would like to ask another question specifically with regard to the 1980 census. The one thing on which the chairman has received a fair amount of feedback, and with which I think all of us are concerned, is the possibility that there will not be as much cooperation as there has been in the past.

Is there anything that should be done about that problem at this time or would you say that it is too late to really change the situation as it currently exists?

Mr. AIKEN. I think we are trying to act too quick too late. I think certainly the provision for widespread publicity is essential.

A publicity job better than was done in the last census is required. And I think even the Census Bureau would admit that perhaps they didn't do as good a job as they could have.

And I think, too, that national publicity campaign does encourage participation, but I think that may have been one of the reasons for the low response rates in Oakland and the other city because the Census Bureau did not have an opportunity to undertake the kind of publicity campaign for those small areas as it would on a national scale when they are conducting the national census.

Mr. LEACH. I understand. I just have one last question. In the event that legislation does develop, be it substantial reform or a modest change, how serious is your concern that, from a perception point of

view, statistic users and the general public will feel that the impartiality of the census might be jeopardized?

Mr. AIKEN. I think there is a strong possibility of that and in particular because it is a two-stage process.

Mr. LEACH. I see.

Mr. AIKEN. If they are conducted simultaneously, as they have been done in the past, you won't erode the confidence of the public and also run the risk of greater nonparticipation or respondent resistance.

Mr. LEACH. Thank you very much.

Mr. LEHMAN. One last question, sir. Since Mr. Hawkes has left the Bureau and none of you others have worked for the Bureau—

Mr. AIKEN. Well, I don't think Mr. Hawkes was a full-time employee.

Mr. LEHMAN. You have been connected with the Bureau.

Mr. HAWKES. Yes, I was hired for 3 weeks as a consultant.

Mr. LEHMAN. Let me qualify my question. Have any of you been sworn in confidentiality in your—or, have you been able to be involved in census data?

Mr. AIKEN. None whatsoever.

Mr. HAWKES. No.

Mr. AIKEN. Our organization wouldn't have any reason to.

Mr. LEHMAN. Thank you for coming. We have certain disagreements but that's what the open process is all about.

The next witness is Mr. Douglas C. Salter, president of the National Planning Data Corp.

STATEMENT OF DOUGLAS C. SALTER, PRESIDENT, NATIONAL PLANNING DATA CORP.

As the president of the National Planning Data Corp., that you do business with the Bureau of the Census—

Mr. SALTER. That's correct, sir.

Mr. LEHMAN. I would be candid. They are a customer of yours, I assume.

Mr. SALTER. We are a customer of theirs, sir, to a much greater extent.

Mr. LEHMAN. It's a two-way street. You sell and use. Right?

Mr. SALTER. I would state—

Mr. LEHMAN. I will try to get your position with the census.

Mr. SALTER. I would like to make it very, very clear. We have purchased in the last 12 months and we would probably purchase someplace in the neighborhood of \$76,000 of material from the Census Bureau. All this is under standard contract or on listed prices in the books, or what have you.

I would say over the last 3 years the Census Bureau has purchased from us maybe as much as \$12,000 of total revenue for one purpose or another.

Mr. LEHMAN. Well, I wouldn't say that those dollar figures are so great as to create a conflict of interest, but they do exist.

Mr. SALTER. My spoken statement is shortened from my written statement, sir, and in certain parts it does follow but there are other parts that I have taken out to conserve time.

Good morning, Representative Lehman, ladies and gentlemen, my name is Douglas Salter and I would like to thank you for allowing me the opportunity to address you today on H.R. 8871, the bill known as the Census Reform Act.

I hope to demonstrate that the Census Reform Act is an unnecessary and in fact damaging piece of legislation. National Planning Data Corp., the company of which I am president is one of the Nation's largest processors of census data. Our firm serves the private, public, and academic sectors of the economy by providing data used for such purposes as marketing analysis, vocation, and equal employment planning.

Obviously, our work requires a very thorough knowledge of the 1970 census of population and housing, the plans for the 1980 census, and the operations of the Bureau of the Census. Consequently I am in the unique position to describe for you today how the Census Reform Act will actually aggravate those situations it seeks to improve.

The stated purposes of H.R. 8871 are to simplify the procedures for collecting decennial census information, to improve the accuracy of the information collected, and to legislate strict analytical procedures. The bill also gives attention to needs of the public who must cooperate in the collection of information.

I cannot agree more with these purposes. But I see no evidence that H.R. 8871 will help achieve these worthy goals. I have, however, observed that for many years the Bureau of the Census has demonstrated its total support for these goals and recently has made substantial progress in the attainment of them.

Enactment of H.R. 8871 would result in unnecessary formalization of already established procedures. It would destroy a number of fundamental tenets of the U.S. census; among them confidentiality—the right to privacy—and the absolute objectivity of all numbers produced.

Mr. LEHMAN. Can I interrupt that. You said it would destroy the objectivity of numbers produced. Just how would it do that and where does it say that in the bill? What part of the bill is going to destroy the objectivity?

The whole intent of the bill is to make it more objective, not less objective.

Mr. SLATER. Well, I get into that further in my statement when I get into the politicization of the numbers, and if you—

Mr. LEHMAN. Well, sir, if you don't want to answer that right now that's all right.

Mr. SLATER. OK. I think my statement goes into that particular segment of it.

Before I go into detail supporting this opinion, let me tell you some of the things I have observed about the Bureau of the Census itself. In my years as a banker, a financial consultant, and now president of a major data supplier, I have come into contact with no bureaucratic organization that demonstrates such a consistently high level of professionalism and continued self-scrutiny as the Bureau of the Census.

I'm not easy to impress but I have been impressed with the elaborate pains the Bureau takes to evaluate and report on the quality of its work. I have been impressed by the action of the officials that they have taken in response to the concerns of outsiders in the development of the 1980 census and I have been impressed with the thorough and professional way in which the Bureau of the Census personnel have analyzed the thousands of requests for changes in the census.

The Census Reform Act calls for a number of specific changes in the composition and procedures of the Bureau of the Census. You should be aware, however, that many of the proposals in H.R. 8871 are responsive to problems the Bureau has already given high priority and a great deal of attention.

Let's take a closer look at some of the bill's proposals. The act proposes a formal method of evaluation for the Bureau to follow in analyzing the census counts and proposes that the Bureau work to improve the statistical accuracy of the collected data.

It is my experience that evaluation and analysis are basic to the Bureau's present procedures. Let me give you one strong example. When you read by written statement you will find more emphasis that demonstrates the critical eye the Bureau turns on itself and its work.

In the 1970 Census of Population the following question was asked: "How many living quarters, occupied and vacant, are at this address?" This question was part of the enumeration questionnaire.

The sample questionnaire asked a similar question, "Which best describes this building? A one-family house? A building for two families? A building for three families? And so forth.

In tabulating results of the census, it was found that there were some serious misunderstandings about the question relating to living quarters at a given address. The question referring to the number of families in the building was much better understood by respondent and therefore more accurately answered.

Shortly thereafter a memorandum was circulated by the Census Bureau instructing data users to disregard answers to the living quarters question. The Bureau had performed its own analysis of its own work and when questionable statistics were discovered, had decided to take a conservative and more statistically accurate route.

Mr. LEHMAN. In other words, then, in the 1970 census that 100 percent question on living quarters had to be thrown out after the whole census was taken?

Mr. SALTER. Basically. I wouldn't say "thrown out" but it became less valuable data. There is no question about it. But the point there, sir, is that during their evaluation work I don't know how you can improve on their evaluation work.

Mr. LEHMAN. It seems like you can do it by finding out how we do things wrong with the test census. But, go ahead.

Mr. SALTER. The question is being handled differently in the 1980 census.

Mr. LEHMAN. We are having problems with the 1980 census on the income question. And I just wondered if what we've learned from them we could apply to the 1980 100-percent question.

Mr. SALTER. The point is the Bureau never shies from the careful study of the validity of the answers to such questions and it is impor-

tant for you to know that the Bureau publishes the analysis of its work.

The bill addresses itself to the very real problem of undercount. A problem the Bureau has been working to resolve for some time now. Public meetings organized by the Bureau made it obvious that there was a need to try more innovative approaches in inner city areas to assure a more complete counting of residents of these areas.

The record shows that the Bureau of the Census is meeting this problem head on using, among other things a system of community service representatives and the development of an advertising and public relations program.

The purpose of this program is to communicate to inner-city dwellers the important of filling out and returning the census questionnaire. Also, a need developed to let inner-city residents know that the census questionnaire was indeed a confidential one. This kind of reassurance is crucial in eliciting a high response rate in inner-city areas.

These actions and those described in my written statement were initiated by the Bureau of the Census without the prodding of a legislative act.

Simplification of the entire census procedure is an issue in the minds of all census planners. The counting of more than 220 million people and the tabulation of their social, housing, and economic characteristics are processes that would, on first consideration, appear to benefit from any kind of simplification. But simplification of this complex procedure can be accomplished with accuracy only by people with experience in the field.

The Bureau of the Census has been acutely aware of the need for simplification and reduced public burden. The professionals at the Bureau work hard to coordinate, systematize, and simplify the question-response-tabulation cycle of a census.

They have spent much of the last 3 years, and a good deal of money sorting through and selecting only those questions that are truly relevant and proper for a national survey of this scale.

Who would know better than the Bureau of the Census what types of questions to ask? Who would know better at what point a questionnaire becomes too cumbersome to answer? Who would know better at what point a questionnaire becomes too short and omits questions that need to be asked? Who would know better how to phrase the question to elicit the appropriate response?

Who would know better how to design a mechanism to reach and count people all over this country? Who would know better how to evaluate demographic data and discuss its strengths and weaknesses?

I submit to you, sir, no one. No one knows how to do these things than the professionals at the Bureau of the Census. H.R. 8871 has no business making abrupt changes in the procedures the Bureau has established over years of careful analysis of its methods.

Over the past 3 years the Bureau has held more than 70 public meetings across the country to stimulate public input for the 1980 census. The purpose of these forums was to collect reactions to and suggestions about the methods of the 1970 census.

As a result of these meetings the Bureau has considered requests to ask the public everything from the brand of dog food they feed their pets to what types of credit cards they hold. The Bureau has also con-

tacted each of its advisory committees, every State government, and hundreds of professional associations for comments.

The professionals at the Bureau sift through these comments constantly weighing the needs for information against increased burden on the respondent. The Bureau has put itself up for public review and listened to suggestions for ways to simplify data collection as well as to improve the accuracy and analysis of such data.

A reform act is not necessary as an agent to cause the Bureau to try to simplify its procedures. The Bureau has been at work on this for at least 3 years.

While the act would certainly shorten the enumeration questionnaire, the ramifications of these cuts should be carefully examined. The Bureau has the experience to know where and how simplification can work and where and how simplification can lead to insurmountable problems and statistical inaccuracies.

I have told you that I also view the Census Reform Act as a damaging piece of legislation. It will weaken the confidentiality of the responses to the census questionnaire. It will politicize what is now a highly objective body of statistical data.

The Division of Evaluation proposed in the bill would allow direct congressional and General Accounting Office access to census material without approval or ratification of the Director of the Bureau or the Secretary of Commerce.

Furthermore, this bill has the potential to aggravate the undercount problem. It would actually increase respondent burden in the many homes that would have to respond to questionnaires a number of times because of the split between enumeration and the sample survey.

The accuracy of data collected and the appropriateness of conclusions drawn from this data may also be seriously compromised by the lapses between the 100-percent enumeration, the sample surveys, and any required followup surveys.

The reduction in the confidentiality of the census questionnaire is the most destructive aspect of the bill. Under present procedures citizens are assured of the confidentiality of their responses.

Questions on such sensitive subjects as income or physical disabilities are answered with a high degree of truthfulness because the respondent knows that his or her neighbors will not have access to this information.

H.R. 8871 would give access to these heretofore confidential questionnaires to any State or local government official disputing a census count.

I fully understand that these individuals would first be sworn to observe section 9 of title 13 and would be subject to the provisions of subchapter I of chapter 7 of title 13. Nevertheless, if I knew that an appointee of my community government would possibly have the opportunity to read my census questionnaire, I would think twice about answering certain census questions.

Mr. LEHMAN. I am just curious as to why the local governments—I don't agree that this opens it up to local governmental people—but I don't see where local governmental people and Federal governmental people are that much different in being able to have census data. They are the ones that are going to be the most affected by it.

Mr. SLATER. The reduction of confidentiality will have serious impact on the undercount phenomenon. In the 1970 census of population, the Bureau of the Census acknowledged an undercount of 2.5 percent of the total population which included 717 percent of the black population.

It has been suggested that much of the undercount in the inner-city area arose from respondents' unwillingness to give the Government any more information about themselves. People were simply unwilling to fill out, and were frankly suspicious of the motives of one more questionnaire.

Consequently, I believe that any decrease in the confidentiality of the census questionnaires would have a direct effect on the population undercount and the reliability of the responses given on the census forms.

It may interest you to know one portion of the Bureau's current plan to alleviate the undercount. I have been told that the plan involves keeping all community enumeration centers open until local officials have had the opportunity to examine and review preliminary population counts. If any local official believes those numbers to be inconsistent with his or her personal knowledge of the community, the enumerators are then able to go right back into the field to recanvass those areas in dispute.

I have suggested to you this morning that the Census Reform Act politicizes the entire census process and results in a loss in the objectivity of census numbers.

Let me explain what has led me to these conclusions. Currently billions of dollars in CETA funds, revenue-sharing moneys, and the like are distributed across the country on the basis of statistics produced by the Bureau of the Census.

The Bureau of the Census numbers are used because they are independent, objective measures of conditions in local communities. Local government estimates, welfare roll tallies, and other sorts of measures are not used in these benefit determinations because they are not independent, objective statistics. The Census Reform Act will turn the entire issue of Federal benefit allocation into a political one.

Considering the following, if I am incumbent mayor I will be accused by my opponent of not adequately representing the city because I did not challenge the census numbers in an effort to get additional money for the city.

I know that the census numbers for my city appear to be low, but unfortunately I will not appeal the data because my perusal of individual questionnaires will probably uncover some gross zoning violations in the city. Violations I simply do not want to know about.

The moral dilemma here is a real one. If I don't challenge the numbers I leave myself open for charges of not helping the city. If I do challenge the numbers and swear to protect the confidentiality of the census questionnaires, what do I do about violations of the law I might then uncover?

There is another politicizing force in the Reform Act. H.R. 8871 provides that at the request of the chairperson of any congressional committee or subcommittee the Congressional Research Services may analyze and the General Accounting Office may audit any activity of the Bureau. The Congressional Research Service may also be called

upon by these chairpersons to resolve any policy issue in a dispute over a count.

Obviously the introduction of elected officials or their delegates in the evaluation of statistics compromises the objectivity of the final figures. Basing the ultimated distribution of moneys among localities on anything less than total objectivity and independent counts is a grievous mistake.

To review, I believe the Census Reform Act to be a destructive and unnecessary piece of legislation for the following reasons:

The bill requires an evaluation of collected statistics—something which the bureau has been doing for years.

It proposed to work toward the collection of more accurate data and tabulations of that material—something which the Bureau is constantly striving to obtain.

This bill tries to legislate simplicity into the counting of 220 million people through less than statistically valid methods.

H.R. 8871 compromises the public's right to privacy.

It undermines both the accuracy and the objectivity of the census.

It results in the politicizing of the process of allocating funds to areas across the country.

I urge you to vote against clearance of the legislation from this committee, and I thank you for your attention.

Mr. LEHMAN. Thank you very much. I do have a lot of—do have some questions on your testimony.

For instance, about the ability of a chairperson of the congressional committee to ask the Congressional Research Service to analyze and the General Accounting Office to audit any activities of the Bureau. I don't think that this permits that, or changes with the authority of the CRS already has.

I think that that statement does not conform with the language of the bill or the intent of the bill, or change that kind of authority.

But in a kind of a lighter vein, I guess, I'm always a little turned off when somebody prefaces a remark with a statement that "I'm not a person easily impressed." How do you know that you are "not easily impressed?" What kind of psychological data do you have that you are not easily impressed?

Mr. SALTER. Well, this is the first time that I have ever testified before a committee of Congress and I'm surprised that I'm not more nervous or more impressed. It is a great honor, sir, and I'm very pleased to be here. I thought I might have trouble even getting out of bed this morning but I didn't and I wasn't overcome by the great honor of being here.

Mr. LEHMAN. I wasn't talking about that. You prefaced your information, your statement with your favorable opinions in regard to the Bureau of the Census and how well you thought of it. You prefaced that by saying "I'm not a person that's easily impressed" and you have been impressed by the Census Bureau.

If somebody comes to me and tells me that they are a person that is not easily impressed, my first reaction is that that is a person that is easily impressed.

It's just my own reaction. Your subjective feeling and my subjective feeling.

Mr. SALTER. If I had known your opinion, I would have left it out, sir. [Laughter.]

Mr. LEHMAN. Thank you for coming, Mr. Salter.

The next witness is Ms. Evelyn Mann, the census coordinator of the city of New York.

STATEMENT OF EVELYN MANN, CENSUS COORDINATOR OF THE CITY OF NEW YORK

Ms. MANN. I do believe, Mr. Chairman, that my whole presentation is shorter than the several that you have heard this morning. I do believe I have something a little different to say.

Let me call to your attention some correspondence which, because of the holiday, has not yet reached your desk. It is from Abraham Beame, mayor of the city of New York:

Please be advised that the city of New York is very impressed in the outcome of H.R. 8871 which you recently introduced in Congress. I understand that an invitation has been extended to Mrs. Evelyn Mann, the City Census Coordinator, to testify at the hearing scheduled Friday, September 23, 1977.

Mrs. Mann is a recognized authority in the field and I am pleased that she has the opportunity to present her views on the proposed changes in the census procedures to this subcommittee. As mayor of the city of New York I support her position on this important matter.

Mr. Chairman, as the mayor of New York's representative I am pleased to have this opportunity to testify on H.R. 8871.

We venture to guess that collectively the some hundred agencies that make up the city government plus the dozens of quasi-public agencies that rely upon the city as a data source for unpublished and unprocessed information make up the single largest user community of small area census data in the country. It is from this vantage point that we view with dismay and alarm the potential damage to the Nation's most valuable data source.

It seems that the supporters of this bill are apparently willing to sacrifice the content of the 1980 census which by now reflects the consensus of thousands of data users across this country for a promise which simply cannot be fulfilled—the so-called corrections to census counts specifically as spelled out in section 144 of the proposed legislation.

I anticipate the comment of the subcommittee that the mayor of the city of New York appeared before you in 1971 in a hearing to discuss the alleged undercount. Such is the job of mayors. But as the technician who sat at his elbow at that hearing, I considered it my responsibility to be quite different.

Most of the purposes which are so eloquently spelled out in section 2 of H.R. 8871 were always in the back of my mind as I endeavored for the city of New York to work with the technical staff of the Bureau of the Census throughout the decade to improve the products of the decennial and other censuses and of the procedures that back them up, particularly those related to improved coverage.

We do not disagree with most of the aims of section 2. It is just that none of the proposed amendments to title 13 which follow are logically consistent with those aims.

At last Monday's hearings and in written unsolicited testimony, the subcommittee has received much well thought out and expressed analysis of the far-reaching impact of the provisions of H.R. 8871. If you have not already done so, I urge the members of the subcommittee to read the analysis of error calculations sent to you by Dean Kruskal of the University of Chicago and to read the joint letter sent by Dr. Hansen, Daly, Waksberg, and Finkner.

I could not improve upon their technical presentation nor do I wish to waste the subcommittee's time here today by being redundant. We wish to go on record as being in support of the national administration's position as outlined by Dr. Slater and in full sympathy with the concerns of the Bureau of the Census as presented by Mr. Plotkin.

Further, as an active member of the Federal Statistical Users' Conference we are in full accord with the testimony presented here today by that organization's executive director.

With that let me focus for a few minutes on the particular objections New York City has to H.R. 8871. Yes, we are still concerned about undercount. I want to thank the subcommittee again for listening to some of our views on coverage improvement at the hearings last summer. But this time our concern is related to something much more subtle and insidious.

It is for the public perception of the threat to the confidentiality of the census and how that may manifest in nonresponse or inaccurate response. The public may have to be told, perhaps right on the cover of the decennial census questionnaire that their responses may be open to the scrutiny of appropriate officials of State and local governments. Despite the definition offered in section 186, "determination estimates" as applied to legislation in 1981 are going to be the counts and characteristics tabulated from the 1980 census.

In subsequent time periods, "determination estimates" will also have as their base line these same tabulations of the 1980 census and it is hard to see how it will be possible to separate the evaluation of post-censal estimates from the former.

Therefore, in order to review "determination estimates" local officials would have to have access to census data. But access to census data by other than the Bureau of the Census employees must be limited to aggregate data within the confines of the Bureau's disclosure regulations and specifically exclude unit or persons records. Otherwise, the fundamental basis of the census will be undermined.

This bill is obviously an attempt to respond to criticism throughout the country that the Bureau of the Census is unresponsive to locally generated concerns about census counts and current estimates.

However, the Bureau of the Census has already announced its general plan for increasing local participation in appropriate monitoring activities revolving around the decennial census. The city of New York looks forward to cooperating with the Bureau. Further, the Bureau of the Census has widely sought the advice from users on desired publication detail and on requirements for public use files.

Therefore, section 147 of the proposed legislation hardly seems necessary under the circumstances.

There is a long-standing Federal cooperative program on population estimates. It seems to us that an expansion of that program under

the guidance of professional Bureau of the Census technical personnel would solve many of the problems that section 185 attempts to address.

The city of New York has been vigorous in voicing its dissatisfaction with the many subject elements that make up the "determination estimates" which control the distribution of millions in Federal funds to the localities.

We have been widely quoted in the national media since we have used every available professional forum to discuss the estimated tens of millions of dollars that the city has failed to receive because of the inappropriateness of formula elements to either reflect need or the true population of the city.

To the extent that it is feasible, our city's OMB staff has analysed the fiscal situation program by program and has made such analysis part of its ongoing function. City staff has discussed technical details with their counterparts throughout the Federal statistical system, since the involvement extends beyond the Bureau of the Census into many other agencies. For the past several years the city has filed a formal protest to the Department of the Treasury detailing the deficiencies in the revenue sharing formula elements. Like most protesters we have not received satisfaction for one reason: there is no simple solution to the many methodological problems which are implicit in the nature of the data which shape the determination estimates.

Despite this, we continue to protect our rights under the administrative process. We are certain that the estimation methods employed are not sensitive to recently in-migrating population groups. Even though the Bureau has repeatedly indicated it has not developed a method to estimate such groups, we continue to submit our statements through the authorized channels.

You might ask, why do we bother to protest at all if we suspect in advance that adjustments may not be made. We bother because each time the protest process leads to more intensive dialog which pinpoints the technical elements which require change and improvement. We recognize that there are no instant solutions. The state of the art is such that changes in methodology take time to develop, to test and to implement. I might add here that at no time has Bureau of the Census technical personnel been unavailable or unwilling to discuss the methodological deficiencies with representatives of the State or the city.

The Federal-State Cooperative program at present is a limited interchange at a technical level between an officially designated State agency and the Bureau's overworked current estimate and projection staff. If it were feasible to expand the Bureau's staff, participation could be extended to include any level of government that is able to contribute to the methodological improvement. The subject matter of such program could be expanded to include other elements and subjects covered by Federal formulæ perhaps even encompassing review of the formulæ themselves. As I have indicated, this would also have to involve other Federal agencies whose concerns overlap.

I turn now to our major concern: the destruction of the Decennial Census. We do not make this drastic statement lightly. We share the concerns of our colleagues that even if it were desirable to do so, it is too far along upon the Decennial Census' timetable to radically alter

the planned census content or procedure. This does not mean that it is too late to make some content and procedural changes based upon the analysis of recently conducted pretests or changes in procedure based upon the experiences to be gained in the forthcoming dress rehearsals. However, we believe it is too late to conduct any but the most improvised and unsatisfactory pretest of a two stage census. Nor would any pretest really prove the ostensible advantages of a still shorter short form.

Urban analysts throughout the country are appalled at the prospect of a radical curtailment of the full count subject matter based on the arbitrary and unproven assumption that there is respondent resistance to answering such questions. They are particularly disturbed by the potential loss of the housing block statistics upon which they have come to rely for so many studies required in Federal programs. I understand you have received a letter from the executive director of NAHRO expressing concern.

The modern era in city planning and housing programs literally began with the first block by block inventory conducted under the auspices of the WPA in the 1930's. This heralded the first census block statistics publication program in 1940 and for four successive censuses this has been among the most widely utilized of census tools. Attesting to the popularity of this source, the block statistics volumes are usually unobtainable shortly after publication. In New York City we have had such enormous demand for block data from the city agencies as well as from the general public which we also serve, that it has been expedient for us to display the entire third count file, including much unpublished detail, for about 30,000 data blocks on microfiche. A fichereader in our research office has been in daily use since early in the decade. In addition, the third count file is on-line on our computer, allowing the user to regroup the data into an unlimited variety of service districts and study areas.

The most frequently requested item of block information is one we have never heretofore had available: income. Income analysis is viewed as the key to the establishment of eligibility for many governmental programs such as housing rehabilitation and neighborhood conservation. Not only does the proposed legislation eliminate the possible full-count income question, it also proposes to eliminate all of the surrogate items which even remotely aid in describing the economic status of the areas under consideration: the rent and/or value of the housing units. Indeed, H.R. 8871 would remove the tabulation of an even more basic item: tenure. Further, in geographic areas in which there are a variety of types of living quarters which are not self contained such as rooming houses and single-room occupancy structures (and New York City is not unique in this respect) the elimination of a question on "access" would make it impossible to define housing units as such. This could lead to serious under-enumeration in areas containing such living quarters.

Threatened also is another absolutely essential body of block information required for the study of neighborhood dynamics and for the targeting of a multitude of programs: family and household relationship. Our users want to know, for example, where there are female heads of households with preschool age children so they can plan the best location of day-care centers. They want to know where primary

individuals who are 65 and over live so they can plan the most expeditious transportation pick up routes to take these persons to health care facilities and to specialized community centers. Further, in the full-count allocation process the household typology is utilized to adjust for many late reporting of age; thus, one data gap can lead to another.

The single question approach also seems to me to be an unnecessary collapsing of the census schedule, the presently proposed wording of which has undergone careful and extensive testing. There is no argument that the quality of the age data will deteriorate if the construction of the question is tampered with. Similarly, a single question on heritage, which even if it were feasible to combine all the conceptual elements of race and origin, would render such results meaningless for both contemporary and historical analysis.

Although we have indicated there are aspects of this bill which we feel will seriously undermine the fullest possible coverage of the population in 1980, we are not testifying that the two stage census is one of them. But neither has it been anywhere demonstrated that the two stage census will in any way improve coverage. Yet the supporters of H.R. 8871 have been offering this feature as its major attraction. Experience in 1970 indicated that nationally there was only a 3-percent spread between the mail-back response rate of the long form versus the short form. In other words most respondents did not perceive that it was such a horrendous burden to complete the long form. In those areas of New York City that did not have other special enumeration problems, the national ratio held. Only about 15 percent of both the short and the long forms had to be retrieved by a census enumerator followup.

For those areas of the city in which there are special enumeration problems such as related to housing conditions, to newly arrived foreign language groups, to family and household composition, to educational levels, and so forth a two-stage census would present procedural nightmares. The first consideration in such areas is to locate the household; the second consideration is to communicate effectively with some member of the household who is to be the principal correspondent. Having overcome these two major hurdles, the third objective is to obtain at one time all the information which is required under the sampling plan from that household.

If either a mailpiece or an enumerator were to show up 6 months later to obtain the supplementary information two conditions are likely to be encountered. Either the entire household will be different—high mobility is a characteristic of such areas—or the household composition will have substantially changed. To ascertain these facts, all of the full-count questions will have to be asked again, thus increasing rather than decreasing respondent burden. Indeed, the full-count questions would have to be repeated anyway in a two-stage census in order to facilitate the cross tabulation of sample content by full count subject matter—albeit at the latter's sample rate. Enormous respondent resistance is anticipated.

Let us examine the field calendar under a two-State enumeration program in New York City. In those areas of the city which in 1970 by April 15, had only a 40 to 50 percent mail-back rate, the first stage of a two-stage census could not be completed before the end of August. The length of the questionnaire would not be the important factor. The

key issue is finding someone at the listed housing unit address to provide the response at all. Then assuming that enumerator training procedures had begun even while closing out the first stage and allowing the usual 2 weeks for main response from stage 2, it could easily be September before all offices would have staff in the field for followup. The earliest possible date that the enumeration of the city could be completed would be the end of October, a span of 7 months. Yet in other parts of the country the census could be completed by June. New biases are being introduced by this seasonal variation.

The cost of such a two-stage procedure would be staggering, to say nothing of the problems to be encountered. For example, by the time a district office would be ready to close out stage I, three-quarters of its field enumeration staff would have been dismissed. Re-recruitment would be a major obstacle in getting stage II rolling again. All of the publicity and community relations would have to be recycled. The lack of effective publicity on the second stage could easily effect the same low response rate as recently experienced in the pretest cities and for the same reasons. It would be unrealistic to expect the local media to volunteer the same effort in August, September, and October as it put forth on April 1.

Adding to the field completion delay will be the months, perhaps even years, before the decennial census results are evaluated and declared releasible. Three or four years into the decade, census data users I encounter are already complaining that the census results are out of date. They have been promised an accelerated publication schedule for the 1980 census. It would be intolerable to have to wait until late 1983 for the socioeconomic data on which so many programs are based.

The major victim of a two-stage census will be the sample data, particularly its quality. There is no question that the completeness and accuracy of the sample count subjects will be in jeopardy under a two-stage plan. Surely the members of the subcommittee are aware of the billions of dollars of Federal funds which are distributed not on the head count alone, but on the basis of the sample count enumeration. Additional billions are invested based on sample count results.

The poverty index, which itself has been the subject of criticism, study and evaluation, is based on the sample count income questions which build up income source by source. It is used directly or indirectly in several formuli. The source and structure of income is important in post-censal estimates of income which in turn get translated into per capita income for revenue sharing. The structure and composition of the local employed and unemployed labor force will be a major touchstone in all studies related to increasing the economic strength and enhancing the economic recovery of many areas of the Nation. Not unrelated to this is the measurement of progress in educational attainment of the streams of workers in the labor force. The Decennial Census results permits the analysis of the strength and weaknesses in the current educational system.

Untold numbers of agencies are eagerly waiting for the results of the expanded disability question which will enable them to more precisely target the funds available to aid this segment of the Nation's population.

Of national importance is the analysis of how the major shifts in the distribution of population has affected the relationship between

place of residence and place of work, particularly the implications for the studies on the most effective use of the Nation's energy resources.

Waiting in the wings are far-reaching national health and social programs that are going to be dependent on the details available only from the national Decennial sample count for the analysis of need and effectiveness.

Mr. LEHMAN. There is a call to the House floor in progress for a record vote. I regret that the subcommittee will have to adjourn in 5 minutes.

Ms. MANN. We believe that the process of reviewing methodology and improving methodology and experimenting with new methods belongs within the professional staff of the Census Bureau working, where necessary, with outside authority with the broadening of the Federal statistical cooperative program involving expertise in other Federal agencies on an ad hoc committee basis, if necessary, but as part of the ongoing function within the subject matter sections within the statistical review sections of the Census Bureau.

Our very basic concern, Mr. Chairman, is with the quality of the 1980 Census.

Mr. LEHMAN. We both have the same concerns.

Ms. MANN. I realize you do. It is our opinion, however, and I have spelled this out in considerable detail with examples of how the data are used in an urban analysis situation in my presentation.

We feel the foreshortening of the full count questionnaire will not add anything to the quality of the coverage and at the same time will do untold damage to the analytical needs of not only New York City but of urban areas throughout the country.

Furthermore, we would be very definitely opposed to the two-stage census. We feel that in order to take a two-stage census at this point in time it would have to undergo considerable testing and there is no time for that testing to take place.

Mr. LEHMAN. Ms. Mann, the Bureau has done two stages in 1960 and—

Ms. MANN. May I offer a correction because I participated in the 1960 census, my staff, some of them were enumerated in the 1960 census and it was not a two-stage census. The second questionnaire, the sample count items were given to the respondent at exactly the same point that the enumerator was recording the full count questions.

The enumerator was certain he had the same household and the same household composition that was being recorded.

If you go back 6 months later, and we anticipate that it could be 6 months in some of these more difficult to enumerate areas or our urban ghettos, you do not have the same household, you have to ask the full count questions all over again, you are going to get an enormous resistance, there will be an increased enumerative burden. And you are going to decrease the quality of the sample count data.

I have also pointed out that the sample count data are very important to determination estimates. It is not only the total head-count which is used in Federal formula funding distribution. You have many items, particularly the poverty index, income data, that are used in Federal formula distributions that utilize the sample count data. And these are going to be sacrificed in the interest of a two-stage census.

Mr. LEHMAN. Well, I just want to be sure you were familiar with—

Ms. MANN. I am familiar with the paragraph that you are showing and it was an expedient measure at the end of the census period only in areas that were difficult to enumerate. This was not part of an overall national plan.

I think you have to distinguish between a procedure which was developed in response to a particular problem and encountered in the field.

Mr. FERRELL. Can you tell us why it was used in those three cities, especially in New York?

Ms. MANN. Well, I don't know what districts were covered by it but there were some districts where there were problems with the mail-out, mail-back center.

Mr. FERRELL. In the history they used it to speed up the enumeration. Let me quote:

The procedure permitted the rapid swell of population information needed to meet deadlines in processing 100 percent data while holding in abeyance sample information not required until later date.

Ms. MANN. All right. You take an area like Harlem where the Census Bureau did encounter difficulties right through until the end of August—

Mr. FERRELL. Well, would that prove to be a better method on those hard-to-enumerate areas? Is that what we get from that?

Ms. MANN. Not necessarily.

Mr. FERRELL. OK. Why? You know, you are the census coordinator.

Ms. MANN. I believe that the answer could have been in the lack of effective publicity in these areas.

Mr. LEHMAN. That was according to your first testimony.

Ms. MANN. Yes; I think it bear repeating. I think it is extremely important.

Mr. LEHMAN. I'm going to have to adjourn these meetings. A lot of the charges have been made that I haven't responded to. I can't help but thinking of it like a political campaign that as fast as one charge is made they come back with another.

I do think that these things can be worked out. I believe we are all working toward the same ends. In the final analysis I am simply trying to fulfill my responsibility as chairman of this subcommittee and when I see something that looks to me like it's going to be a very unfortunate situation in regards to the 1980 census I would be derelict in my duties if I didn't try to do what I could to prevent this from happening and I hope that working together we can do something.

Thank you very much for coming. The meeting is adjourned.

[Whereupon, at 12 noon, the hearing was adjourned.]

STATEMENT OF MAYOR NEIL GOLDSCHMIDT, PORTLAND, OREG.

The city of Portland appreciates the opportunity to submit for the record its observations on H.R. 8871, the Census Reform Act, currently pending before the Subcommittee on Census and Population I endorse the testimony presented to the subcommittee by Mayor Moon Landrieu of New Orleans on behalf of the National League of Cities and the U.S. Conference of Mayors on September 12. I would like to amplify the points which Mayor Landrieu made with respect to the need for local input into Bureau of Census enumerations and estimates and the opportunity for legitimate appeals to be heard and if necessary arbitrated.

My general observations proceed from a specific example. The 1975 census estimate for the city of Portland was released with other estimates in the spring of 1977. It indicated that during the period 1970-75, Portland's population declined by 25,620 persons, from 382,352 in 1970, to 356,732 in 1975. The city was convinced this estimate was in error and prepared a "Special Report: Population Estimates for Portland" which was submitted as part of our appeal to the Bureau of Census for reconsideration.

For years, the city has relied upon the Portland State University Center for Population Research and Census for its population estimates. The PSU data is developed from records which the city and others keep, such as building and demolition permits, utilities hookups, etc. In fact, the Bureau of Census has for some time worked with the PSC Center for Population Research and Census and presumably has some respect for its professionalism.

The PSU Center estimates that Portland's 1975 population was 379,825. I understand that the discrepancy of 23,093 between the estimates released by the Bureau of Census and the PSU Center remains after some accommodation by census to the PSU figures, I further understand that the census findings initially showed a discrepancy of approximately double that figure. The census accommodation was presumably based upon an assumption that the PSU Center results are worthy of being taken seriously. Nevertheless, a difference of more than 23,000 in the estimates of two respected groups of professionals (and an original difference of twice that, or close to 15 percent of the city's entire population) raises a number of questions.

Briefly, the methodologies used by these two organizations are both complex, but there are key differences which may explain the deviation:

The Federal Bureau of Census uses local birth and death statistics for natural increase components of population change.

Migration estimates are derived from IRS income tax returns, identifying the changes of address for individual respondents over sample time periods. The number of dependents is also identified.

Persons who do not report on place-of-residence are allocated on the basis of a formula and annexations are taken into account. This technique does not "compensate" for changes in the proportion of the population which does not file tax returns. In other words, if a city experienced an influx of immigrants who did not earn enough to file, or an increase in local unemployment, the Census estimates could greatly understate its population.

The Portland State University Center for Population Research and Census relies primarily on changes in the housing stock in the city as a means of making population estimates. Building permits and demolitions measure this activity. Estimates of the population are made by applying housing vacancy and household size figures to housing unit counts.

The PSU method may overestimate population where: (1) Permits are issued but the housing is not built; (2) Household size decreases; and/or (3) vacancy rates increase. According to the Bureau of Buildings, less than 1 percent of permits in Portland result in a decision not-to-build. Household size was checked for accuracy by PSU with an actual survey of 4,000 Portland households in 1974 and 1976. Finally, vacancy rates in Portland for multi- and single-family units decreased between 1970 and 1975.

These factors, in combination with our analysis, make the Census Bureau estimates highly suspect; furthermore, the PSU technique is of greater reliability than counting income tax returns.

The Portland experience highlights the concern of many cities throughout the country regarding the accuracy of census enumerations and estimates. The points I wish to make arise directly out of this example.

To call for changed procedures to enable local governments to participate with the Bureau at certain stages in the decennial census and intervening estimates is not to question the high professionalism and dedication of the Bureau of Census. Nor do we suggest changes in procedure which would open the census function to political influence. Local governments would not be deserving of a role in the process if it were used as a vehicle for misplaced boosterism or as merely an effort to extract extra Federal formula grant dollars through claims to inflated population counts. The census function must continue to be solidly professional and isolated from political considerations.

It is belaboring the obvious, however, to state that population figures are now more important than ever before to local governments. General Revenue Sharing, Countercyclical Fiscal Assistance, Community Development, CETA, and other

Federal assistance activities are allocated upon the basis of factors which include population. It is ironic that funds allocated to address need are based upon the number of those in recipient communities who are most needy and at the same time those most difficult to enumerate. The Bureau of Census does not need to be reminded that its functions have become more and more the focus of political attention in recent years, as witness the undercount issue. There is every indication that political interest in the census process will not diminish but will grow in the foreseeable future. It seems clear to me that by involving local governments in the census process to a reasonable extent the Bureau will be better able to insulate itself from political buffeting.

A point which I believe is largely unappreciated is that many cities of moderate to large size are forced by the simple necessities of doing business to rely upon as accurate a measurement of their own populations as possible. Estimates of tax income, of service levels, and a whole host of housekeeping functions are based upon population. To overestimate our populations is to kid ourselves and to degrade our own planning processes. Some cities have a small number of highly qualified individuals working on population estimates; others rely upon local academic and other institutions to perform these functions for them; in many communities it is a combination of both. The fact is that in a number of cities there is a pool of expertise utilized on a continuing basis to estimate local populations. These people are naturally sensitive to the particular demographic and other characteristics peculiar to their community.

To me it is a persuasive argument that census methodologies utilized nationwide to enumerate or estimate the populations of all our cities can be fine tuned to yield more accurate results in particular communities by recognition of local peculiarities. Tapping of local expertise, it seems to me, can only enhance the accuracy of results, and this should be a goal which both the Census Bureau and local governments share. The dialogue which we seek to establish is a technical dialogue between professionals at the Federal and local level. I cannot help but believe that this would do a great deal to keep the census function from becoming more involved in the political arena.

Our specific suggestions would be that the Bureau advise cities in ample time of the proposed enumeration or estimate, provide the community technicians with the opportunity to discuss the Census officials the manner in which the survey or enumeration will be conducted, and to suggest to the Census officials some of the particular community characteristics to be aware of and methods which might be utilized to complement Census methods. The census results should be made available to the community immediately after completion of the survey or enumeration, and the community given reasonable time to comment upon them. Should these steps fail to forestall disagreement between the local community and the Bureau, the opportunity should be available for an appeal, if substantiated by factual data, to be heard by an independent arbitrator. The arbitrator should properly be located outside the Census Bureau and the Department of Commerce, and should also be insulated from political influence.

I understand that the Census Bureau has already indicated its willingness to share with city officials in advance the address registers which it will be using in its 1980 census enumeration. That is to be commended, provided the registers are supplied to the cities sufficiently far in advance. Also to be commended is what I understand to be the Bureau's willingness to provide to local officials the results of the enumeration immediately after completion. I am confident that the tight time schedule which the Bureau is forced to work within during the decennial census can still be accommodated with the addition of this extra step in the process. We would oppose any provisions in HR 8871 which might be interpreted as precluding the Census Bureau from undertaking cooperative steps of this nature.

It strikes me and many other mayors as essential that the census process be strengthened by local participation of this nature. It is to the interest of all that full faith and credit in the Census Bureau and the data it generates be maintained. It is true, however, that our society has undergone tremendous change over the period since the census of 1960, not to mention 1970. Many of the social dislocations which are manifestations of those changes are to a great extent concentrated in our cities. For the census process to remain credible changes are called for which, in our increasingly participation-oriented society, make the process a more participatory one without undermining its professional, non-political nature.

STATEMENT BY THE NATIONAL LEAGUE OF CITIES AND THE UNITED STATES
CONFERENCE OF MAYORS

The National League of Cities and the United States Conference of Mayors together represent virtually all of the cities of the nation which, in turn, contain more than 70 percent of the country's population. Cities are people and knowing their numbers and characteristics is important. We, therefore, are pleased to have the opportunity to comment on the Census Reform Act (H.R. 8871) and commend Congressman Lehman and Congresswoman Schroeder for proposing this legislation which makes visible an issue which is ordinarily ignored but has tremendous public importance.

The National League of Cities and the United States Conference of Mayors speak for the policymaking officials of the nation's cities. The following comments grow out of the responsibilities of these officials and should be given their proper weight along with those opinions which flow from expertise on the techniques and organization of the census. The significance of this piece of legislation, from our point of view, is that it does address some of the most important concerns of local elected officials and provides an opportunity to deal with these concerns in the legislative process.

In the past, local elected officials had a rather simple interest in the census. More people meant a healthy and prosperous city. In recent years, census data has attracted a deeper and more sophisticated concern. For many cities, it provides a base of information for planning and policy-making. The best source of data for these purposes has been and continues to be the Census Bureau. No other agency provides the bulk and variety of data so vital to local government program administration. With use, of course, more pressure is put upon the timeliness, accuracy and suitability of data.

In addition to the traditional uses for Census data, federal programs are increasingly using population and income criteria as the bases for formula grants and program eligibility. Programs such as General Revenue Sharing, the Community Development Block Grant, Anti-Recession Fiscal Assistance and the Comprehensive Employment and Training Act rely heavily on Census data for determinations of eligibility and entitlements. Billions of dollars, thus, depend on the quality and accuracy of the counts. And, as a result, even greater pressure is being put on the performance of the Census Bureau.

Both organizations have a long-standing interest in this issue. At its June annual meeting, the United States Conference of Mayors passed a Policy Resolution dealing with the serious concerns which local government officials have regarding current census methodologies used in estimating population counts, as well as concerns about the impact of inaccurate counts on local government.

The most heated Census-related controversy of recent years, the undercount of the black population demonstrates another sort of pressure now placed on the Census generated from deep political, social and symbolic concerns. More recently, the difficulty of counting illegal aliens has gained importance. People not counted by the Census do not exist for many important practical purposes. Unfortunately, those who are missed by the Census enumerators are, in other respects, invisible and ignored and weigh the least on the political balance. Others should not be surprised if blacks and other minorities are angered to discover that they do not even count equally. And it is in cities that the bulk of the under-counted population resides.

It is clear that the Census Bureau today must carry a much heavier burden than it has in the past. Suggestions for change are offered to take into account the variety of uses and increased importance of Census statistics. The National League of Cities and the United States Conference of Mayors do not question the integrity or technical competence of the Census Bureau, but there are legitimate questions to be raised about whether or not its organization and process are well-suited to its increased burden.

Many city officials have felt that the Bureau has not been as responsive as would be desirable. In some cases, of course, this feeling may stem from an unsuccessful challenge of a population count, but not in all. Regardless of the extent to which this feeling is justified, cities believe that local input into the Bureau policies and procedures is critical. In fact, many local government problems with Census stem from misunderstandings about these policies and procedures. For that reason, cities strongly support current efforts of the Bureau to involve local officials directly.

The attractiveness of the Census Reform Act is that it would write into law procedures for handling some of the problems of greatest importance to cities and thus usefully highlights these problems and offers a point of departure for determining the most effective means of addressing them. At each critical point in the conduct of a census, city governments have concerns, as described below.

In the earliest stages the ability of local officials to impact the pre-census planning is crucial. Not only do early discussions with local officials assist the Bureau in increasing its accuracy, but they also help to eliminate much of the misunderstanding about the Bureau's policies and procedures. City governments can, on occasion, improve the Census Bureau's enumeration lists and should be given that opportunity. This pre-census consultation must, at a minimum, include those elements currently proposed by the Bureau under their local review program and, as would be required by this legislation, the effort should take place at the beginning of the decennial census period.

It is also imperative that the enumeration be completed as quickly as possible and that tract and block statistics be made available to local officials quickly. The legislation proposes to speed up the enumeration process and produce a more accurate count by separating the simple enumeration from surveys of other population characteristics. Whether this would be effective or would rather produce delays, miscouts and a reduction in essential data, is a matter which requires some consideration.

Following the final tabulations, estimates of error should be made as quickly as possible. If feasible, these estimates should be allocated among states and local jurisdictions and, where appropriate, adjustments should be made in federal program payments. This represents an ideal statement of goals and one which the legislation proposes to bring about.

After counts have been conducted, whether in the decennial census or mid-term estimates, there should be, as the legislation proposes, a streamlined and regularized process through which local governments can challenge the results. In addition, and this is a delicate matter, there should be a capacity for independent evaluations of the work of the Census Bureau. The growing importance of the Bureau's product makes it more essential that it be guided by professional and technical standards; at the same time, however, the importance of its performance to others makes it difficult to argue that the Bureau should be the sole and ultimate judge of its findings. The Census Reform Act would institute a semi-independent Division of Evaluation to meet this problem. With respect to this provision and several others not discussed here, it is clear that the intent is worthy; it is not as clear that it could be implemented without undue cost and delay or at the sacrifice of the flexibility and professional independence necessary to conduct censuses most effectively.

While many of the issues dealt with by this bill are best resolved by technical judgments, there can be no doubt of the importance of involving city governments at each important point in the conduct of the census. If this is not done, the counts will suffer and the product will be of less use to everyone. Everything possible must be done to guarantee that all Americans are counted equally. Early involvement with local communities and their officials can improve enumerations. A challenge procedure for local governments which allows for the quick and dependable adjustment of errors can reduce the costs of mistakes.

City officials support efforts to achieve these goals and, again, commend Representatives Lehman and Schroeder for their bringing the issues into serious legislative discussion.

TESTIMONY OF HON. CHARLES B. RANGEL, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF NEW YORK

Mr. Chairman, on behalf of myself and the entire Congressional Black Caucus, I would like to thank you for the opportunity to submit this written statement.

Within the past year, questions as to the accuracy of the present census gathering procedures have been raised. My major concern has been the undercounting of minority Americans. As this legislation adopts many of the points I have raised in my bill, I am pleased with the final version of H.R. 8871 as it relates to the undercount question.

To avoid the errors involved in this undercount, the new legislation provides a plan for correcting these problems using a statistical procedure known as imputation and also another called allocation for nonresponse. These procedures are used for correcting errors due to nonresponse to questionnaires and due to persons

missed. Not only does an undercount affect the amount of Federal financial assistance that a State or its political subdivision may receive, but it also impacts upon the type of planning and development that an area can undertake.

Another provision of H.R. 8871 which I am happy to see has to do with providing the secretary with media access in order for the secretary to convey instructions on the census application during the key times. The key times are defined as fifteen minutes of prime time, during each of the two weeks preceding, and each of the two weeks following, the decennial census date; and thirty minutes of prime time on the decennial census date. These media access times will provide the public with information on and assistance in completing the forms that will be used.

If it so happens that the census update shows a decrease, the government unit will not be penalized meaning the benefits will not be decreased. This provision insures a continuation of services which all are entitled to without curtailment. In short what I am happy to see is that the Committee has selected to adopt my concept that when there is an increase in population figures, those agencies who allocate Federal dollars on the basis population, must use these new, corrected population figures.

As I stated in my testimony before this subcommittee on my bill, I believe that we must make changes in the types of people who we send out to collect this data. Minorities have traditionally been suspect of those individuals who come into their communities to ask them questions of a personal nature. In New York and other cities, minorities have not responded to the questions and thus have not been accurately counted. The Bureau should study the possibility of using those youths who reside in the particular area to collect the data, as they would have the credibility, would know the residents and be able to convince them of the necessity of responding to the questions.

Although the Subcommittee didn't address this issue in H.R. 8871, I am hopeful that the next time you look at legislation on this subject, some discussion will be undertaken in an effort to correct this specific problem.

In looking over other sections of the legislation, I noticed that your Subcommittee has recommended that the Census Bureau no longer be allowed to ask the question regarding an individual's race. This concerns me a great deal. If we are no longer going to be able to find out how many different racial groups live in a particular section of the nation and what percentage of the total population a particular group makes up, it is going to be quite difficult for us to know if minorities are being adequately and proportionately represented in the various state houses across the nation.

The Census Bureau is charged with gathering the information on all segments of the population. Certainly other agencies may collect this similar data, but not to the extent that Census does. It seems to me that if we prohibit Census from asking questions about race, then we will never get a handle on the undercount question. The language in your bill directing the Secretary to conduct sample surveys to come up with corrected data would be mere verbiage if those surveys didn't contain a question on an individual's race. It would be my hope that this provision of your bill would be studied closely by the full Committee and eventually withdrawn.

I have confined my comments to several aspects of this legislation, particularly how H.R. 8871 attempts to rectify the undercount problem. With respect to other sections of the bill, I would like to reserve judgment at this time. I will state however that the efforts of the Subcommittee indicate that you all are concerned about devising a more accurate index of the face of our nation. I applaud you for your efforts and hope that you will look at my suggestions for improvements as just that. Please know that I will assist you in anyway that I can.

Once again, I would like to extend my sincerest appreciation to the Subcommittee for allowing my written remarks to be submitted for the record.

NATIONAL PLANNING DATA CORP.,
Ithaca, N.Y., September 7, 1977.

HON. WILLIAM LEHMAN,
Chairman, Subcommittee on Census and Population, Committee on Post Office
and Civil Service, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN LEHMAN: We are in receipt of H.R. 8871, the Census Reform Act to amend Title 13 of the United States Code. In a letter dated June 3, 1977, we transmitted to you our observations concerning the proposed content of

the 1980 Census. Likewise, we are also vitally interested in the future of this bill and its impact on Census data users.

Accordingly, we would like to be granted the opportunity to deliver a statement at your Committee's hearings on H.R. 8871 on Monday, September 12, 1977 or on any subsequent date on which hearings are held.

National Planning Data Corporation is one of the nation's largest processors of Census data. Our primary function is to extract, aggregate, tabulate, and format Census summary files. Our broad and diversified client base includes local governments and federal agencies, as well as American corporations of all sizes. Our work requires a very thorough knowledge of the 1970 Census and the operations of the Bureau of the Census. Moreover, we have followed the emerging plans for the 1980 Census very carefully.

We look forward to receiving a positive reply to our request to appear at the September 12, 1977 hearings of the Subcommittee on Census and Population.

Thank you for your consideration.

Sincerely,

DOUGLAS C. SALTER, *President.*

IN THE HOUSE OF REPRESENTATIVES

August 5, 1977

Mr. LATHAN (for himself and Mrs. Schwanzer) introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To amend title 13 of the United States Code to establish a decennial census procedure, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

SHORT TITLE

4 SECTION 1. This Act may be cited as the "Census Re-
5 form Act".

FINDINGS AND PURPOSES

7 SEC. 2. (a) The Congress hereby finds that—

- 8 (1) the purpose of the decennial census is to
- 9 enumerate the population of the United States as required
- 10 in the Constitution of the United States;
- 11 (2) since 1790 the census has been used as a

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- 1 method of collecting information concerning the charac-
- 2 teristics of the population;
- 3 (3) the growth of the Nation and the increasing
- 4 complexity of the lives of its people have greatly in-
- 5 creased the need for accurate information about the
- 6 characteristics of the population, in order to provide
- 7 for the general welfare;
- 8 (4) information about such characteristics is used
- 9 to make determinations under statutes, to plan and
- 10 analyze policies, to allocate funds, and for other signif-
- 11 cant purposes;
- 12 (5) the accurate collection of information on the
- 13 population is important to the well-being of the Nation
- 14 as a whole and of individuals in the population;
- 15 (6) it is the responsibility of every individual living
- 16 in the United States to cooperate with, and facilitate in
- 17 any way, the collection of accurate information for the
- 18 decennial census;
- 19 (7) because of such responsibility, the public
- 20 should be better informed of the need for such informa-
- 21 tion;
- 22 (8) the procedures used in the decennial census
- 23 have become extremely complex; and
- 24 (9) the simplification and reorganization of such
- 25 procedures will reduce the imposition on, and protect the

1 privacy of, the public in the collection of information as
 2 well as facilitate the collection of more accurate
 3 information.
 4 (b) It is therefore the purpose of this Act—
 5 (1) to provide for the simplification of the proce-
 6 dures for collecting information in a decennial census;
 7 and
 8 (2) to provide for the collection of more accurate
 9 information and for the analysis of such information,
 10 taking into account the needs of the public in cooperating
 11 with the collection of such information.

12 DECENNIAL CENSUS

13 SEC. 3. (a) Subchapter II of chapter 5 of title 13,
 14 United States Code, is amended to read as follows:

15 "SUBCHAPTER II—POPULATION AND HOUSING

16 "§ 141. Decennial census

17 " (a) The Secretary, through the Bureau, shall, in the
 18 year 1980 and every ten years thereafter, take a decennial
 19 census of population in accordance with the provisions of this
 20 subchapter. The first day of April of such year shall be known
 21 as the decennial census date.

22 " (b) The enumeration of total population by States
 23 under subsection (a) of this section as required for the apportionment of Representatives in Congress among the several
 24 States shall be completed, in accordance with section 143 (b)

1 of this title, within nine months after the decennial census
 2 date and reported by the Secretary to the President of the
 3 United States.

4 " (c) The officers or public bodies having initial re-
 5 sponsibility for the legislative apportionment or districting
 6 of each State may, not later than three years before the
 7 decennial census date, submit to the Secretary a plan iden-
 8 tifying the geographic areas for which specific tabulations
 9 of population are desired in the enumeration of population
 10 conducted in accordance with section 143 (b) of this title.
 11 Each such plan shall be developed in accordance with cri-
 12 teria established by the Secretary, which he shall furnish
 13 to such officers or public bodies not later than April 1 of the
 14 fourth year preceding the decennial census date. Such cri-
 15 teria shall include requirements which assure that such plan
 16 shall be developed in a nonpartisan manner. Should the
 17 Secretary find that a plan submitted by such officers or
 18 public bodies does not meet the criteria established by him,
 19 he shall consult to the extent necessary with such officers
 20 or public bodies in order to achieve the alterations in such
 21 plan that he deems necessary to bring it into accord with
 22 such criteria. Any issues with respect to such plan remain-
 23 ing unresolved after such consultation shall be resolved by
 24 the Secretary, and in all cases he shall have final authority
 25 for determining the geographic format of such plan. Tabula-

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1 ions of population for the areas identified in any plan
 2 approved by the Secretary shall be completed by him as
 3 expeditiously as possible after the decennial census date and
 4 reported to the Governor of the State involved and to the
 5 officers or public bodies having responsibility for legislative
 6 apportionment or districting of such State, except that such
 7 tabulations of population of each State requesting a tabula-
 8 tion plan, and basic tabulations of population of each other
 9 State, shall, in any event, be completed, reported, and trans-
 10 mitted to each respective State within one year after the
 11 decennial census date.

12 **“§142. Decennial census period; pretesting; trial census**

13 “(a) There is established a decennial census period
 14 which shall consist of the five-year period beginning on
 15 November 1 of the second calendar year preceding the year
 16 in which a decennial census is taken, and ending on Octo-
 17 ber 31 of the third calendar year occurring after the year in
 18 which such census is taken.

19 “(b) (1) Except as provided in sections 141 (c) and
 20 143 (a) (2) (E) of this title, the Secretary may not conduct
 21 any activities with respect to a decennial census, other than
 22 testing of alternative procedures for conducting such census
 23 and other planning and experimental activities, except during
 24 the decennial census period.

25 “(2) Not less than one year before the date of a trial

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1 census conducted under subsection (c) of this section, the
 2 Secretary shall report on the results of any testing or other
 3 activities referred to in paragraph (1). Such report shall
 4 include an evaluation which the Division of Evaluation
 5 established pursuant to section 14 (a) of this title shall con-
 6 duct with respect to—

7 “(A) the responses to proposed questions in the
 8 test;

9 “(B) the completeness of enumeration in the test;
 10 and

11 “(C) the procedures used in the test.

12 The Secretary shall submit such report to the appropriate
 13 committees in Congress.

14 “(c) (1) The Secretary may, during the decennial
 15 census period, conduct a trial census which shall be a final
 16 test of all the procedures to be used in taking a decennial
 17 census. The Secretary shall establish a date for the trial
 18 census, and the trial census shall be taken as of such date.

19 “(2) Not less than sixty days before the date of a trial
 20 census, the Secretary shall submit to the appropriate com-
 21 mittees in Congress a report of any testing or other activi-
 22 ties referred to in subsection (b) (1) which are conducted
 23 after a report is submitted pursuant to subsection (b) (2) of
 24 this section.

25 “(3) No changes in the content or procedures to be

7

1 used in taking a decennial census may be made after the end
2 of the four-month period beginning on the date of a trial
3 census.

4 **"§ 143. Content of decennial census**

5 "(a) (1) A decennial census shall consist only of the
6 following activities:

7 "(A) An enumeration of the population, to be
8 conducted in accordance with subsection (b) of this
9 section.

10 "(B) A sample survey of the characteristics of the
11 population and housing of the United States, to be con-
12 ducted in accordance with subsection (c) of this section.
13 Such survey shall be separate from the enumeration and
14 may not be conducted in a geographic area until the
15 collection of data for the enumeration in that area
16 has been completed.

17 "(C) Supplemental surveys to be conducted in
18 accordance with subsection (d) of this section. Any such
19 survey shall be separate from the enumeration and
20 sample survey of characteristics and may not be con-
21 ducted until collection of data for the sample survey of
22 characteristics has been completed for the entire United
23 States.

24 "(2) Each activity referred to in paragraph. (1) shall
25 consist of the following parts:

8

1 "(A) Testing and other planning and experimental
2 activities referred to in section 141 (b) (1).

3 "(B) Frame establishment, which means the estab-
4 lishment of the list of housing units, persons, or house-
5 holds which is to be the basis of the enumeration or
6 survey.

7 "(C) The collection of data from individuals, house-
8 holds, or records.

9 "(D) Evaluation of the data by the Division of
10 Evaluation, pursuant to section 14 of this title.

11 "(E) Publication of results and the evaluation of
12 the results, in accordance with the provisions of section
13 14 (e) (3) of this title. Subject to the provisions of
14 subsections (b) and (c) of section 141, the Secretary
15 may publish such results and evaluation after the end
16 of the decennial census period. Such results shall be
17 published in printed, microform, or computer format.

18 "(b) (1) The enumeration referred to in subsection
19 (a) (1) (A) of this section shall be made, as provided in
20 this subsection, of 100 per centum of the population of
21 the United States, and shall be conducted as of the decennial
22 census date.

23 "(2) Such enumeration shall consist of—

24 "(A) a count of the population of the United States;

10

1 necessary to insure that all individuals or households are
 2 counted in the enumeration. Such records may include—
 3 “(A) records of Federal programs administered
 4 by the State;
 5 “(B) records of tax assessors, other than informa-
 6 tion with respect to judgments against or delinquencies
 7 of an individual;
 8 “(C) voting registers, other than information with
 9 respect to the party affiliation or record of voting of an
 10 individual;
 11 “(D) drivers' licenses; and
 12 “(E) social security records.
 13 Employees conducting the enumeration may obtain only
 14 names and addresses from such records, and such informa-
 15 tion may be used only for purposes of the enumeration. Any
 16 employee who obtains information from such records other
 17 than that specified by this paragraph shall be subject to the
 18 penalty prescribed by section 214 of this title.
 19 “(c) (1) The survey of characteristics referred to in sub-
 20 section (a) (1) (B) of this section shall be limited to the
 21 population of 20 per centum of the housing units counted
 22 in the enumeration conducted in accordance with subsection
 23 (b).
 24 “(2) The Secretary may distribute the sample for the

9

1 “(B) not more than one question on any of the
 2 following items:
 3 “(i) name;
 4 “(ii) address;
 5 “(iii) age;
 6 “(iv) heritage;
 7 “(v) sex;
 8 “(vi) number of units in structure;
 9 “(vii) number of rooms in unit;
 10 “(viii) names of persons staying at the hous-
 11 ing unit on census day who are residents of the
 12 housing unit;
 13 “(ix) addresses of persons described in clause
 14 (viii); and
 15 “(C) such other items as may be necessary to imple-
 16 ment the plan for corrections in computation which
 17 the Secretary prepares pursuant to section 144 of this
 18 title and to implement the evaluation plan prepared by
 19 the Division of Evaluation pursuant to section 14 (b) (1)
 20 of this title.
 21 “(3) Notwithstanding any other provision of law, em-
 22 ployees conducting an enumeration pursuant to this sub-
 23 section shall be allowed access to those records of the Federal
 24 Government, and of State or local governments, which are

11

- 1 survey across the population in such manner as to minimize
- 2 sampling and measurement error, except that—
- 3 “(A) the entire population of any unit of local gov-
- 4 ernment the population of which is five hundred persons
- 5 or less shall be included in the sample; and
- 6 “(B) at least five hundred persons of any unit of
- 7 local government the population of which exceeds five
- 8 hundred persons shall be included in the sample.
- 9 “(3) The survey shall include such questions as the Sec-
- 10 retary determines are necessary—
- 11 “(A) to collect information on the social and eco-
- 12 nomic status of the population;
- 13 “(B) to acquire information necessary for deter-
- 14 minations of eligibility for and amount of benefits to be
- 15 received under Federal law by States and units of local
- 16 government;
- 17 “(C) to acquire information necessary for planning
- 18 and analyzing Government policies,
- 19 and such other questions as the Secretary considers appro-
- 20 priate.
- 21 “(4) The Secretary may not use any questions for the
- 22 survey unless—
- 23 “(A) the Secretary submits such questions to the
- 24 appropriate committees of Congress; and

12

- 1 “(B) neither the House of Representatives nor the
- 2 Senate adopts a resolution disapproving such questions
- 3 within sixty legislative days after submission of the ques-
- 4 tions pursuant to subparagraph (A).
- 5 If such a resolution of disapproval is adopted under sub-
- 6 paragraph (B), the Secretary shall, within thirty days after
- 7 such adoption, submit revised questions to the appropriate
- 8 committees in Congress.
- 9 “(5) In evaluating the sources of error in the survey,
- 10 pursuant to section 14 (c) (2) of this title, the Division of
- 11 Evaluation shall calculate the standard error with respect to
- 12 each statistical result which the Secretary reaches from the
- 13 survey.
- 14 “(d) (1) The Secretary may conduct such supplemental
- 15 surveys, referred to in subsection (a) (1) (C), as the Secre-
- 16 tary considers necessary to meet the needs of the Federal
- 17 Government, or of State and local governments, for eco-
- 18 nomic and social data. The sample for any such survey shall
- 19 be drawn from housing units counted in the enumeration con-
- 20 ducted pursuant to subsection (b).
- 21 “(2) When specifically authorized and requested by a
- 22 State law, the Secretary shall conduct a special survey in
- 23 such State for the purposes of clarifying the findings of the
- 24 survey of characteristics conducted pursuant to subsection
- 25 (c), if the following conditions are met:

1 " (A) The subjects to be covered in the special
 2 survey are specified in the State law and the Secretary
 3 agrees to such subjects.
 4 " (B) The State provides at least 50 per centum
 5 of the cost of the survey.
 6 " (C) The Secretary determines the design of ques-
 7 tions, the procedures, and the size of the sample to be
 8 used in the survey.
 9 " (D) The sample for the survey is drawn from
 10 housing units counted in the enumeration conducted
 11 pursuant to subsection (b).
 12 " (3) In any case in which the standard error reported
 13 by the Division of Evaluation, pursuant to section 14 (c)
 14 (2) (B) of this title, of any result reached by the Secretary
 15 from the survey of characteristics for a unit of government
 16 exceeds 25 per centum of the total result, and such result is
 17 used to determine the eligibility for or amount of a benefit
 18 received by such unit of government under a Federal law,
 19 such unit of government may request the Secretary to con-
 20 duct a special survey of 100 per centum of the population
 21 of such unit of government, if the following conditions are
 22 met:
 23 " (A) Such survey is limited to those character-
 24 istics for which the standard error exceeds 25 per
 25 centum of the result.

1 " (B) Such unit of government provides at least
 2 50 per centum of the cost of the survey.
 3 " (C) Only those housing units counted in the
 4 enumeration conducted pursuant to subsection (b) for
 5 such unit of government are included in the survey.
 6 " (4) The Secretary shall, not more than sixty days
 7 after the date of the enactment of this section, propose regu-
 8 lations for the implementation of this subsection.
 9 "§ 144. Corrections in census counts
 10 " (a) (1) The Secretary shall prepare a plan specifying
 11 procedures to be used by the Secretary for correcting errors
 12 in the process of calculating the data collected in the enu-
 13 meration conducted pursuant to section 143 (b) and in the
 14 survey of characteristics conducted pursuant to section 143
 15 (c). Such plan shall include (A) the statistical methods
 16 to be used in correcting such errors, such as the procedure
 17 known as imputations and the procedure known as allocation
 18 for nonresponse, (B) procedures for correcting errors due to
 19 nonresponse to questionnaires and due to persons missed,
 20 and (C) any other procedure in which a count is altered in
 21 an attempt to correct errors. The plan shall take effect, before
 22 the decennial census date, on a date specified by the Secretary.
 23 " (2) The Secretary shall publish such plan for correc-
 24 tions in the Federal Register, shall invite the submission of

1 comments by interested persons, and may revise such plan
 2 before submitting a report to the appropriate committees in
 3 Congress pursuant to paragraph (3).
 4 " (3) The Secretary shall, not less than sixty days before
 5 the effective date of a plan for corrections, submit to the
 6 appropriate committees in Congress a report containing the
 7 plan for corrections and all comments received from
 8 interested persons with respect to such plan.
 9 " (b) The Secretary shall apply the procedures specified
 10 in a plan for corrections to each unit of government for
 11 which the enumeration in section 143 (b) and survey of
 12 characteristics in section 143 (c) are conducted.
 13 " (c) The Secretary shall publish in the Federal Register
 14 the extent of the corrections made, in accordance with the
 15 plan for corrections, in the enumeration and survey of char-
 16 acteristics conducted pursuant to section 143.

17 **"§ 145. Mid-decade census**

18 " (a) The Secretary, in the year 1985 and every ten
 19 years thereafter, shall conduct a mid-decade census of popula-
 20 tion in such form and content as he may determine, includ-
 21 ing the use of sampling procedures and special surveys, taking
 22 into account the extent to which information to be obtained
 23 from such census will serve in lieu of information collected
 24 annually or less frequently in surveys or other statistical

1 studies. The census shall be taken as of the first day of April
 2 of each such year, which date shall be known as the
 3 mid-decade census date.

4 " (b) If—

5 " (1) in the administration of any program estab-
 6 lished by or under Federal law which provides benefits
 7 to State or local governments or to other recipients,
 8 eligibility for or the amount of such benefits would
 9 (without regard to this paragraph) be determined by
 10 taking into account data obtained in the most recent
 11 decennial census, and

12 " (2) comparable data is obtained in a mid-decade
 13 census conducted after such decennial census,

14 then in the determination of such eligibility or amount of
 15 benefits the most recent data available from either the
 16 mid-decade or decennial census shall be used.

17 " (c) Information obtained in any mid-decade census
 18 shall not be used for apportionment of Representatives in
 19 Congress among the several States, nor shall such informa-
 20 tion be used in prescribing congressional districts.

21 **"§ 146. Reports to Congress**

22 "With respect to each decennial and mid-decade census
 23 conducted under this subchapter, the Secretary shall submit
 24 to the appropriate committees in Congress—

1 " (1) not later than three years before the appro-
 2 priate census date, a report containing the Secretary's
 3 determination of the subjects proposed to be included,
 4 and the types of information to be compiled, in such
 5 census;
 6 " (2) not later than two years before the appro-
 7 priate census date, a report containing the Secretary's
 8 determination of the questions proposed to be included
 9 in such census; and
 10 " (3) after submission of a report under paragraph
 11 (1) or (2) of this subsection and before the appropri-
 12 ate census date, if the Secretary finds new circumstances
 13 exist which necessitate that the subjects, types of infor-
 14 mation, or questions contained in reports so submitted
 15 be modified, a report containing the Secretary's determi-
 16 nation of the subjects, types of information, or questions
 17 as proposed to be modified, subject to the limitation
 18 specified in section 142 (c) (3).

19 **"§ 147. Federal-State cooperation**

20 " (a) The Secretary shall seek the cooperation of States
 21 and units of local government in conducting the enumera-
 22 tion required by section 143 (a) (1).
 23 " (b) The Secretary shall take such steps as may be
 24 necessary to insure that States and units of local government

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1 are consulted, and their needs taken into account, with
 2 respect to the publication of the results of the decennial
 3 census.
 4 " (c) The Secretary shall, not later than one year before
 5 the decennial census date, report to the appropriate com-
 6 mittees in Congress with respect to the manner in which
 7 the results of the decennial census are to be published, and
 8 of the steps taken pursuant to subsection (a).
 9 " (d) Any State or unit of local government may re-
 10 quest from the Secretary, and the Secretary shall produce
 11 upon such request, a copy of any information which is pub-
 12 lished by the Secretary pursuant to section 143 (a) (2) (E)
 13 and which relates directly to such State or unit of local
 14 government. The Secretary shall provide such copy in such
 15 computer or other format as is required by an information
 16 system of such State or local unit of government. Such State
 17 or unit of local government shall provide the Secretary with
 18 the cost of reproduction of the information requested.

19 **"§ 148. Public service and information**

20 " (a) It is the policy of the Congress that the Secretary
 21 should adapt the necessary procedures to make it less burden-
 22 some for individuals to respond to questions posed in con-
 23 ducting the decennial census. To this end the Secretary shall
 24 take the necessary steps to insure that the language and
 25 categories of questions used on census forms take into account

1 the needs and preferences of the public and do not cause
2 arbitrary or awkward responses.

3 " (b) The Secretary shall establish a program to pro-
4 vide information to the public of the need for, and operations
5 of, the decennial census. In establishing such program the
6 Secretary—

7 " (1) shall employ at least one person for each dis-
8 trict office from which the enumeration and survey of
9 characteristics required by section 143 is conducted, who
10 shall administer such program of public information for
11 the geographic area served by such district office, and
12 who shall be a resident of the State in which such office
13 is located for at least twelve months before the decennial
14 census date;

15 " (2) may produce films explaining decennial cen-
16 sus procedures or encouraging public cooperation; and
17 " (3) subject to the requirement imposed on the
18 Secretary by subsection (c) (2), may, during the period
19 beginning on the date which is four months before the
20 decennial census date and ending on the date which is
21 eight months after the decennial census date, purchase
22 prime time, as defined in subsection (c) (3), from radio
23 and television stations, in order to make announcements
24 with respect to the census.

25 " (c) (1) Each radio and television station which is

1 licensed under the Communications Act of 1934 (47 U.S.C.
2 151 et seq.) shall provide to the Secretary—

3 " (A) fifteen minutes of prime time, during each of
4 the two weeks preceding, and each of the two weeks
5 following, the decennial census date; and

6 " (B) thirty minutes of prime time on the decennial
7 census date.

8 " (2) The Secretary shall use the time provided pursu-
9 ant to paragraph (1) to provide the public with information
10 on and assistance in completing the forms referred to in para-
11 graph (1) (B).

12 " (3) As used in paragraph (1), the term 'prime time'
13 means the period beginning at 7 o'clock post meridian and
14 ending at 11 o'clock post meridian.

15 "§ 149. Training program for supervisory personnel

16 " (a) The Secretary may establish a program for the
17 training and selection of supervisory employees engaged in
18 decennial census activities.

19 " (b) Any program established under subsection (a)
20 should consist of the following:

21 " (1) Ten individuals who are residents of the State
22 in which a district office is located should be hired at
23 the beginning of the decennial census period.

24 " (2) Such individuals should be trained in neces-
25 sary techniques for a period of approximately six weeks.

26 " (3) A district manager and subordinate super-

1 visory staff should be selected from among such
2 individuals.

3 “(4) Such individuals should be employed for the
4 entire decennial census period.

5 “§ 150. Definitions

6 “As used in this subchapter—

7 “(1) the term ‘census of population’ means a census
8 of population, housing, and matters relating to popula-
9 tion and housing;

10 “(2) the term ‘unit of local government’ means
11 ‘unit of local government’ as defined in section 186(3)
12 of this title; and

13 “(3) the term ‘appropriate committees in Congress’
14 means the Committee on Post Office and Civil Service
15 of the House of Representatives and the Committee on
16 Governmental Affairs of the Senate.”

17 (b) The table of sections of subchapter II of chapter 5
18 of title 13, United States Code, is amended to read as follows:

19 “SUBCHAPTER II—POPULATION AND HOUSING

“SUBCHAPTER II—POPULATION AND HOUSING

“141. Decennial census.

“142. Decennial census period; pretesting; trial census.

“143. Content of decennial census.

“144. Corrections in census counts.

“145. Mid-decade census.

“146. Reports to Congress.

“147. Federal-State cooperation.

“148. Public service and information.

“149. Training program for supervisory personnel.

“150. Definitions.

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OTHER CENSUS ACTIVITIES AND SURVEYS

1 Sec. 4. (a) Section 183 of title 13, United States Code,
2 is amended by adding at the end thereof the following new
3 subsection:

4 “(c) With respect to any census or survey which the
5 Secretary conducts before or after the decennial census
6 period referred to in section 142 (a), and with respect to
7 any determination estimate, which census, survey, or
8 determination estimate—

9 “(1) has not been requested by a State or unit of
10 local government for which data for such census, survey,
11 or determination estimate is collected or used; and

12 “(2) is conducted for the purpose of testing, plan-
13 ning, or experimenting, in the manner described in
14 section 142 (b) (1) of this title,

15 the result of such census, survey, or determination estimate
16 shall be considered to be the data most recently produced
17 and published, for purposes of subsection (a) of this section,

18 except that a State or unit of local government shall not
19 receive an amount of benefit referred to in such subsection
20 which is less than it would have been if such census or
21 survey had not been conducted or determination estimate
22 made.”

23 (b) Subchapter IV of chapter 5 of title 13, United
24 States Code, is amended—
25

23

1 (1) by redesignating section 184 as section 186;

2 and

3 (2) by inserting after section 183 the following
4 new sections:

5 **“§ 184. Preparation for census activities and surveys**

6 “(a) The Secretary shall prepare a plan for conducting
7 any census (other than the decennial census or mid-decade
8 census), survey, or other collection of statistics, or preparing
9 any determination estimate, under this title. Such plan shall
10 specify the methods to be used, the analysis to be done of
11 the data to be used, and any limitations of such data.

12 “(b) Any plan prepared pursuant to subsection (a)
13 shall be based upon studies conducted on the impact of
14 alternative procedures on the accuracy of the data to be
15 collected in the census, survey, or collection of statistics, or
16 the data to be used for the determination estimate, for which
17 the plan is prepared. For purposes of this subsection, the
18 Secretary may use studies of recognized authorities outside of
19 the Bureau.

20 “(c) The Secretary shall submit to the appropriate
21 committees in Congress any plan prepared pursuant to sub-
22 section (a) of this section, not less than sixty days before
23 the census, survey, collection, or preparation of the determi-
24 nation estimate, is begun.

24

1 **“§ 185. Determination estimates**

2 “(a) (1) Whenever the Secretary issues a determina-
3 tion estimate, the Secretary shall include an estimate, for
4 each State and unit of local government for which such
5 determination estimate is made, of the extent of under-
6 enumeration or reporting error attributable to such estimate.
7 “(2) Any department or agency of the executive
8 branch which uses a determination estimate for the purpose
9 specified in section 183 (a) shall, in administering the Fed-
10 eral law for which the determination estimate is used, take
11 into account the estimate of error included with such determi-
12 nation estimate.

13 “(b) (1) If any State or unit of local government dis-
14 agrees with the Secretary concerning the validity of a deter-
15 mination estimate made with respect to such State or unit of
16 local government, and if such State or unit of local govern-
17 ment, within sixty days after the date the Secretary publishes
18 the determination estimate, files with the Secretary, in such
19 form as the Secretary shall prescribe, a formal challenge to
20 such determination estimate, the Division of Evaluation in the
21 Bureau shall conduct an analysis of the disagreement.

22 “(2) In analyzing a disagreement pursuant to para-
23 graph (1), the Division of Evaluation shall consult relevant
24 data provided by the State or unit of local government

1 local government to have access to the data upon which the
 2 determination estimate is based, subject to the following
 3 requirements:

4 " (A) The Secretary shall limit such access to only
 5 a number of officials necessary to acquire the data.

6 " (B) Any such official shall be sworn to observe
 7 the limitations imposed by section 9 of this title, and shall
 8 be subject to the provisions of subchapter I of chapter 7
 9 of this title to the same extent as in an officer or employee
 10 referred to in subchapter II of chapter 1 of this title.

11 " (5) At the request of the chairman of one of the
 12 appropriate committees in Congress, or the chairman of any
 13 subcommittee of such committee having jurisdiction over cen-
 14 sus, the Congressional Research Service of the Library of
 15 Congress shall analyze any policy issue arising from a dis-
 16 agreement to which this subsection applies.

17 " (6) (A) In addition to determination estimates made
 18 on or after the date of the enactment of this section, this
 19 subsection shall apply to any determination estimate which
 20 is an estimate of population for 1975 for a State or unit of
 21 local government and which includes the migration estimate
 22 and the natural increase for such State or unit of local gov-
 23 ernment, when the ratio of the migration estimate to the
 24 natural increase is greater than the ratios of migration esti-

1 involved in the disagreement. The Division shall submit to
 2 the appropriate committees in Congress a report of the
 3 results of each analysis it conducts pursuant to paragraph
 4 (1). Such report shall be submitted not later than one hun-
 5 dred and ten days after the date on which the formal chal-
 6 lenge to the determination estimate is filed under paragraph
 7 (1).

8 " (3) If the Division of Evaluation, in a report sub-
 9 mitted pursuant to paragraph (2), specifies any error in the
 10 determination estimate in disagreement, the Secretary shall,
 11 within ten days after the submission of the report, rectify such
 12 error, publish in the Federal Register the determination esti-
 13 mate as corrected, and transmit such corrected estimate to
 14 departments and agencies of the executive branch using such
 15 determination estimate for the purpose specified in section
 16 183 (a). After receipt of such corrected determination esti-
 17 mate, any such department or agency shall use the corrected
 18 determination estimate in place of the determination estimate
 19 in disagreement.

20 " (4) After a State or unit of local government has,
 21 under paragraph (1), requested an analysis of a disagree-
 22 ment with respect to a determination estimate, the Secretary
 23 shall, notwithstanding the provisions of section 9 (a) (3) of
 24 this title, allow appropriate officials of such State or unit of

1 mate to natural increase of 75 per centum of all States and
 2 units of local government for which such estimates of popula-
 3 tion for 1975 are made.

4 “(B) For purposes of subparagraph (A)—

5 “(i) the term ‘migration estimate’ means an esti-
 6 mate of the number of people moving into a geographic
 7 area minus the number of people moving out of such
 8 geographic area, and

9 “(ii) the term ‘natural increase’ means the number
 10 of births minus the number of deaths.”

11 (c) Section 186 of title 13, United States Code, as
 12 redesignated by subsection (b) (1) of this section, is
 13 amended to read as follows:

14 “§ 186. Definitions

15 “For purposes of this subchapter—

16 “(1) the term ‘appropriate committees in Congress’
 17 means the Committee on Post Office and Civil Service
 18 of the House of Representatives and the Committee on
 19 Governmental Affairs of the Senate;

20 “(2) the term ‘determination estimate’ means an
 21 estimate, prepared by the Secretary, of the number or
 22 characteristics of the population—

23 “(A) which is derived from any data, includ-
 24 ing data collected for the decennial census;

1 “(B) which is not produced as an activity of
 2 the decennial census period as provided in sub-
 3 chapter II of chapter 5 of this title; and

4 “(C) which is produced for the purpose of
 5 enabling appropriate departments and agencies of
 6 the executive branch to determine the amount of
 7 benefit received under a Federal law by a State or
 8 unit of local government;

9 “(3) the term ‘unit of local government’ means the
 10 government of a county, municipality, township, Indian
 11 tribe, Alaskan Native village, or other unit of govern-
 12 ment (other than a State) which is a unit of general
 13 government; and

14 “(4) the term ‘State’ includes the District of
 15 Columbia.”

16 (d) (1) Section 181 of title 13, United States Code,
 17 is amended—

18 (A) in subsection (a)—

19 (i) by striking out “, county,” in each place
 20 it appears,

21 (ii) by striking out “local unit of general pur-
 22 pose government” in each place it appears and
 23 inserting in lieu thereof “unit of local government”,
 24 and

25 (iii) by striking out “local units of general

- 1 purpose government" and inserting in lieu thereof
- 2 "units of local government"; and
- 3 (B) in subsection (b) by striking out "county and
- 4 local unit of general purpose government" and inserting
- 5 in lieu thereof "unit of local government".
- 6 (2) Section 183 of such title, as amended by subsection
- 7 (a) of this section, is further amended by striking out "
- 8 county, or local units of general purpose government" in each
- 9 place it appears and inserting in lieu thereof "or units of local
- 10 government".
- 11 (e) The table of sections of subchapter IV of chapter 5
- 12 of title 13, United States Code, is amended by striking out
- 13 the item relating to section 184 and inserting in lieu thereof
- 14 the following new items:

^a184. Preparation for census activities and surveys.

^b185. Determination estimates.

^c186. Definitions.

- 15 (f) Section 196 of title 13, United States Code, is
- 16 amended by inserting before the period at the end of the
- 17 first sentence " (except as provided in paragraphs (2) (B)
- 18 and (3) (B) of section 143 (d) of this title) "

DIVISION OF EVALUATION

- 20 Sec. 5. (a) Subchapter I of chapter 1 of title 13, United
- 21 States Code, is amended by adding at the end thereof the
- 22 following new section:

§ 14. Division of Evaluation

- 1 "§ 14. Division of Evaluation
- 2 "(a) The Secretary shall establish within the Bureau
- 3 a Division of Evaluation which shall be headed by a Deputy
- 4 Director for Evaluation who shall be appointed by the
- 5 Secretary from among persons with expertise in the social
- 6 sciences and in the problems of the validity of research
- 7 techniques.

- 8 "(b) The Division of Evaluation shall perform the
- 9 following duties:

- 10 "(1) Before the Secretary or the Bureau begins
- 11 any census, survey, or other collection of statistics under
- 12 this title, including data produced under section 181
- 13 of this title and information obtained from public or
- 14 private sources under section 6 of this title, and before
- 15 the Secretary or the Bureau prepares any determination
- 16 estimate, as defined in section 186 (2) of this title, the
- 17 Division shall, as soon as practicable after being notified
- 18 of the intention of the Secretary or the Bureau to begin
- 19 such census, survey, or collection or to prepare such
- 20 determination estimate, prepare and publish in the Fed-
- 21 eral Register a plan for conducting an evaluation of such
- 22 census, survey, collection, or determination estimate.
- 23 "(2) As soon as practicable after each census,
- 24 survey, collection, and preparation of a determination
- 25 estimate described in paragraph (1) is begun, the Divi-

1 sion shall begin an evaluation of such census, survey,
 2 collection, or determination estimate. Such evaluation
 3 shall be conducted in coordination with such census,
 4 survey, collection, or determination estimate and shall
 5 be completed in time for the report to be prepared and
 6 transmitted within the time limit specified in paragraph
 7 (3).
 8 “(3) The Division shall prepare and transmit to
 9 the Secretary and the Director of the Census a report
 10 evaluating each census, survey, collection of statistics,
 11 and determination estimate described in paragraph (1).
 12 Such report shall at least include a description of the
 13 methods used in conducting the evaluation required
 14 under paragraph (2) with respect to such census, sur-
 15 vey, collection, or determination estimate and a sum-
 16 mary of each analysis described in subsection (c) (1)
 17 and made with respect to such evaluation and of the
 18 results of such analysis. If for any reason any such
 19 analysis could not be made or the results of such anal-
 20 ysis are of questionable reliability, the report describing
 21 such analysis shall indicate this deficiency and the reason
 22 for it. Each report evaluating a census, survey, collec-
 23 tion of statistics, and determination estimate described
 24 in paragraph (1) shall be prepared and transmitted
 25 under this paragraph within the following time limits:

1 “(A) The report evaluating the enumeration
 2 of total population with respect to a decennial cen-
 3 sus (as provided in section 143 (b) of this title)
 4 shall be prepared and transmitted not later than nine
 5 months after the decennial census date. The report
 6 evaluating all other aspects of a decennial census
 7 (as provided in subchapter II of chapter 5 of this
 8 title) shall be prepared and transmitted not later
 9 than the end of the decennial census period estab-
 10 lished in section 142 (a) of this title.
 11 “(B) A report evaluating any census, survey,
 12 collection, or determination estimate described in
 13 paragraph (1) (other than a decennial census)
 14 shall be prepared and transmitted not later than six
 15 months after the date on which all compilation of
 16 data is completed.
 17 “(4) The Division shall analyze disagreements with
 18 respect to determination estimates, as provided in sec-
 19 tion 185 of this title.
 20 “(c) (1) An evaluation of a census, survey, collection
 21 of statistics, or determination estimate described in sub-
 22 section (b) (2) shall, in addition to the analysis of error
 23 specified in paragraph (2) of this subsection, at least include
 24 the following:
 25 “(A) An analysis of the methodology used in con-

- 1 ducting such census, survey, collection, or determination
- 2 estimate.
- 3 " (B) An analysis of the manner in which data is
- 4 collected, processed, and reported.
- 5 " (C) An analysis of the accuracy and reliability
- 6 of the data collected or used (and any analysis of the
- 7 data made by the Secretary or the Bureau).
- 8 "(2) (A) An evaluation described in subsection (b)
- 9 (2) shall include an analysis of at least the following pos-
- 10 sible sources of error in collecting such data, including an
- 11 estimate of the magnitude of each such source of error made
- 12 in the best manner, from the best data available, and at the
- 13 same time as such data is being collected:
- 14 " (i) The size and design of the sample from which
- 15 such data is collected.
- 16 " (ii) Incomplete coverage of the population in such
- 17 census, survey, collection, or determination estimate.
- 18 " (iii) Question wording, collection of data, tabula-
- 19 tion, editing procedures, imputations, and any other
- 20 nonsampling factor.
- 21 " (iv) The collection of data at different times.
- 22 " (B) Such analysis shall include a study of the standard
- 23 error for each State and unit of local government for which
- 24 data for the census, survey, collection of statistics, or deter-
- 25 mination estimate is collected or used. The Division shall

- 1 compute such standard error as the sum of the estimates of
- 2 the sources of error referred to in subparagraph (A) of this
- 3 paragraph.
- 4 " (C) The Division shall include in an evaluation of
- 5 error as provided in subparagraphs (A) and (B) an expla-
- 6 nation of the method it uses to calculate such error.
- 7 " (D) If the Division of Evaluation determines that
- 8 sufficient data is unavailable in order to estimate any source
- 9 of error specified in subparagraph (A), the Division shall,
- 10 within one year after the results of the survey are published,
- 11 and at the end of every one-year period thereafter, report to
- 12 the appropriate committees in Congress with respect to the
- 13 steps taken by the Division to devise a method of calculating
- 14 such estimate of error. The Division shall so report until such
- 15 a method is devised and the Division reports to such com-
- 16 mittees with respect to such method.
- 17 " (E) With respect to the decennial census, the Division
- 18 shall evaluate the procedures used by the Secretary to cor-
- 19 rect errors, as specified in the plan which the Secretary pre-
- 20 pares pursuant to section 143 (a) (1) of this title.
- 21 " (3) In conducting any evaluation under subsection
- 22 (b) (2), the Division of Evaluation may carry out such
- 23 studies and use such methods, including interviewing persons
- 24 from whom data has been collected, as the Deputy Director
- 25 for Evaluation deems necessary.

1 " (d) The Division of Evaluation may develop tech-
 2 niques for conducting evaluations under this section.
 3 " (e) (1) Neither the Secretary nor the Bureau may
 4 begin any census, survey, collection of data (other than a
 5 decennial census), or determination estimate described in
 6 subsection (b) (1) until—
 7 " (A) the Secretary or the Bureau has notified the
 8 Division of Evaluation of its intent to begin such census,
 9 survey, collection, or determination estimate, and of the
 10 date on which it plans to begin such census, survey, col-
 11 lection, or determination estimate; and
 12 " (B) the Division has published in the Federal
 13 Register its plan for evaluating such census, survey, col-
 14 lection, or determination estimate under subsection
 15 (b) (1).
 16 " (2) The Secretary and the Bureau shall cooperate with
 17 the Division of Evaluation in order to coordinate the conduct-
 18 ing of a census, survey, collection of statistics, or determina-
 19 tion estimate described in subsection (b) (1) with the
 20 evaluation of such census, survey, collection, or determina-
 21 tion estimate.
 22 " (3) Except as provided in paragraph (4), neither the
 23 Secretary nor the Bureau may publish or otherwise release
 24 any information obtained in a census, survey, collection of

1 statistics, or determination estimate described in subsection
 2 (b) (1) until the Secretary or the Bureau has—
 3 " (A) without alteration, published in the Federal
 4 Register the report of the Division of Evaluation
 5 evaluating such data; and
 6 " (B) submitted such report to the appropriate
 7 committees in Congress.
 8 " (4) Even though a report evaluating information col-
 9 lected by the Secretary or Bureau has not been published
 10 and submitted under paragraph (3), the Secretary or the
 11 Bureau shall, at the request of the chairman of one of the
 12 appropriate committees in Congress or the chairman of any
 13 subcommittee of such committee having jurisdiction over
 14 census, submit a preliminary report concerning such
 15 information to such chairman.
 16 " (f) The Deputy Director for Evaluation may, to the
 17 same extent as the Secretary under the provisions of sub-
 18 chapter II of this chapter, appoint such personnel with
 19 expertise in mathematics and statistics and such other staff
 20 as he or she considers necessary. Any officer or employee of
 21 the Division of Evaluation shall be an officer or employee of
 22 the Bureau but shall only be assigned work necessary to
 23 carry out the duties of the Division and shall not engage in
 24 the design, administration, or analysis of any project carried

1 out by the Bureau other than an evaluation project carried
2 out by the Division under this section.

3 " (g) (1) At the request of the chairman of one of the
4 appropriate committees in Congress or the chairman of any
5 subcommittee of such committee having jurisdiction over
6 census, the Congressional Research Service of the Library
7 of Congress shall analyze, or the General Accounting Office
8 shall audit, any evaluation or other activity of the Division
9 of Evaluation, as well as any other activity of the Bureau.

10 " (2) During the third calendar year beginning after
11 the date of the enactment of this section and during each
12 third calendar year thereafter, the General Accounting Office
13 shall—

14 " (A) review evaluations made by the Division of
15 Evaluation under this section during such calendar year
16 and during the two calendar years immediately preced-
17 ing such calendar year—

18 " (i) to determine whether or not such evalua-
19 tions include the analyses listed in subsection
20 (c) (1);

21 " (ii) to determine whether or not such analyses
22 are complete and accurate; and

23 " (iii) if such evaluations do not include all the
24 analyses listed in subsection (c) (1) or if any of such

1 analyses are not complete or are not accurate, to
2 determine whether or not the Division is developing
3 new techniques for conducting evaluations which
4 will make such analyses complete and accurate; and
5 " (B) submit the review described in subparagraph
6 (A) in a report to the appropriate committee in
7 Congress.

8 " (3) Any officer or employee engaged in an analysis
9 or audit under paragraph (1) or (2) shall be sworn to
10 observe the limitations imposed by section 9 of this title and
11 shall be subject to the provisions of subchapter I of chapter 7
12 of this title to the same extent as is an officer or employee
13 referred to in subchapter II of this chapter. Notwithstanding
14 the provisions of section 9 (a) (3) of this title, such officer
15 or employee shall have access to copies of census reports or
16 other information necessary to conduct such analysis or audit.

17 " (4) The results of any analysis or audit conducted
18 under paragraph (1) shall be submitted in a report to the
19 chairman of the committee or subcommittee requesting the
20 analysis or audit and to any other committee in Congress
21 which requests such results. The Congressional Research
22 Service of the Library of Congress and the General Account-
23 ing Office may not disclose such report to any person other
24 than a member of such a committee or subcommittee.

25 " (h) For purposes of this section—

1 " (1) the term 'appropriate committees in Con-
 2 gress' means the Committee on Post Office and Civil
 3 Service of the House of Representatives and the Com-
 4 mittee on Governmental Affairs in the Senate; and
 5 " (2) the term 'unit of local government' means
 6 'unit of local government' as defined in section 186 (3)
 7 of this title."
 8 (b) The table of sections of chapter 1 of title 13, United
 9 States Code, is amended by inserting after the item relating
 10 to section 13 the following new item:

"14. Division of Evaluation."

11 CENSUS OF AGRICULTURE

12 SEC. 6. (a) Subchapter I of chapter 5 of title 13, United
 13 State Code, is amended by adding at the end thereof the fol-
 14 lowing new section:

15 "§ 133. Agriculture, irrigation, and drainage

16 " (a) The Secretary shall in 1979, in 1983, and in every
 17 fifth year beginning after 1983, take a census of agriculture.

18 " (b) In conjunction with the census to be taken under
 19 subsection (a) of this section in 1979, in 1983, and every
 20 tenth year beginning after 1988, the Secretary shall take a
 21 census of irrigation and drainage.

22 " (c) The data collected in each of the censuses taken
 23 under this section shall relate to the year immediately preced-
 24 ing the year in which such census is taken."

1 (b) The subchapter heading of subchapter I of chapter
 2 5 of title 13, United States Code, is amended by striking out
 3 "AND OTHER BUSINESSES" and inserting in lieu thereof
 4 "OTHER BUSINESSES, AGRICULTURE, IRRIGA-
 5 TION, AND DRAINAGE".

6 (c) The table of sections of subchapter I of chapter 5 of
 7 title 13, United States Code, is amended—

8 (1) in the heading thereof by striking out "AND
 9 OTHER BUSINESSES" and inserting in lieu thereof
 10 "OTHER BUSINESSES, AGRICULTURE, IRRIGATION,
 11 AND DRAINAGE"; and

12 (2) by adding at the end thereof the following new
 13 item:

"133. Agriculture, irrigation, and drainage."

