

Voluntary ACS Would Diminish Accuracy, Increase Costs

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The Census Bureau concluded in a 2003 report requested by Congress, "Testing the Use of Voluntary Methods," that the mail/telephone response rate dropped by more than 20 percentage points when the survey was voluntary. Mail response for historically hard-to-count population groups declined; the proportion of mail/telephone response for Black and Hispanic households was below 50 percent when response was voluntary. Interestingly, however, there was also a 13 percent drop in mail/telephone response for non-Hispanic White households, proportionately higher than the drop for non-White, non-Hispanic groups. Because the Bureau only conducts personal interviews with a sample of unresponsive households, data quality and reliability are greatly compromised. Overall, the Bureau needs to interview about 70 percent of the initial sample (currently about three million addresses) to maintain data reliability; with the voluntary approach, the completed interview rate of initial sample fell to 60 percent, compared to 72 percent for the mandatory approach.

Not surprisingly, the estimated annual cost (at the time) would jump by at least \$60 million if the survey were voluntary and acceptable standards of data quality were maintained, the Bureau concluded. The agency estimated it would have to increase the sample size to 3.7 million addresses annually to maintain data reliability with voluntary response. The report is available at http://www.census.gov/acs/www/library/by_series/implementing_the_acs/.

Because this analysis is seven years old, the adverse consequences of making survey response voluntary undoubtedly are greater. The cost of the ACS has risen in light of declining survey response rates, the population has grown and become more diverse, and the number of housing units has increased, making the size of the ACS sample woefully outdated.

All of the data gathered in the ACS have a federal law nexus; that is, the information is needed to administer a federal program, activity, or judicial ruling, to enforce or monitor compliance with a federal law, or to allocate federal funds, and the law specifically requires the use of census data or the census is the only source for the data. Because of the firm legal basis for all data collected through the ACS, as well as the significant amount of federal funds distributed based on ACS data (over \$416 billion annually), the Census Bureau must produce data that meets acceptable standards of statistical reliability.