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THE AMERICAN ECONOMIC ASSOCIATION

Committee on Economic Statistics and Committee on Government Relations

Comments on "Decennial Census of the Population of Americans; Proposed Residence Criteria and Proposed Regulations for Demographic Questions"

The American Economic Association (AEA) is a 15,000+ member organization dedicated to promoting economic research and intellectual exchange about economic issues. The AEA's Committee on Economic Statistics (AEAStat) promotes access to timely, detailed, high-quality, and useful economic statistics provided by the Federal government and other sources. The AEA's Committee on Government Relations (CGR) is charged with representing the interests of the economics profession in Washington, D.C., and around the country, without taking positions on questions of economic policy or partisan matters. AEAStat and CGR welcome this opportunity to comment on the Census Bureau's proposal to add two new provisions to the Federal Code of Regulations relating to the nation's Decennial Census (15 CFR Parts 60 and 70, Docket No. 260903-0005, RIN 0607-AA75).

The Decennial Census is a unique and irreplaceable data collection that has documented the changing demographic characteristics and geographic distribution of the U.S. population for more than 200 years. The Census data are used by a wide range of public and private stakeholders for many purposes,[1] including: (1) apportioning the 435 seats in the U.S. House of Representatives;[2] (2) redistricting for federal, state, and local elections, undertaken by state and local governments;[3] (3) benchmarking public and private data sets to make them representative of the population as a whole;[4] (4) allocating hundreds of billions of dollars in federal funding to programs as varied as matching funds for state Medicaid programs to highway planning and construction;[5] (5) planning state and local government investments and services, including for transportation, emergency services, and school locations;[6] (6) providing businesses, including real-estate developers, with comprehensive and geographically granular insights into population trends that sample surveys cannot provide,[7] and (7) supporting research on longer-term social and economic trends affecting U.S. households, including economic mobility, residential segregation, population growth, fertility rates, and more.[8] With these broad-based and at times interconnected uses,[9] fundamental changes in the Decennial Census that create structural breaks in the data and/or risk degrading data quality would have ripple effects through the nation's data infrastructure and should be considered with great care.

Given the longstanding and broad-based uses of Decennial Census data, we have significant concerns about the proposed additions to the Code of Federal Regulations that would change the definition of "usual residence" to be used in the Decennial Census and prohibit collection of data on race/ethnicity and sexual orientation. We explain these concerns in what follows and provide comments on certain other issues on which the proposal solicits comments.

Definition of "usual residence"

Since 1790, the Decennial Census has used the concept of "usual abode" or "usual residence" as the basis for determining where people should be counted.[10] This concept has been operationalized in recent Decennial Censuses as the place "where the person lives and sleeps most of the time."[11] This definition has key attributes needed in a respondent-oriented instruction to minimize reporting error: (a) it uses simple, familiar words, free of technical terms and jargon; (b) it is specific and concrete; (c) it is conceptually unambiguous in what it asks about; and (d) it asks about one thing at a time.[12] Minimizing reporting error is critical for "counting people once, only once, and in the right place;" all usual residents of a given address should be reported at that address, with no one reported there also reported at another address.[13] The Census also counts the population as of a reference date—April 1 since 1930—rather than over an extended period.

In contrast, the proposed rule would define usual residence as the "residence at which the person has lawfully spent the greatest number of days during a defined enumeration period, [as] should be consistent with, and evidenced by, tax records (e.g., tax returns, W-2);" the "defined enumeration period" is to be January 3 to April 1. This definition is both detached from what the Decennial Census has always measured (the size of the resident population in given geographic areas) and inoperable as a way of collecting accurate information from households through Census questionnaires.

- A clear conceptual problem with the proposed definition is that addresses written on tax forms correlate imperfectly with physical residential addresses where people usually live.[14] Addresses on an income tax return or other tax record may be a mailing address, a P.O. box, a second residence, a tax preparer's office, an employer's address, or some other address used for tax-related correspondence. For example, a person may receive tax-related correspondence at a "permanent address" different from where they currently live and work; they may receive correspondence at a P.O. box that is not in the same Census block as their usual residence; and they may receive tax-related correspondence at more than one address. By trying to anchor "usual residence" in tax records, the definition would also change what the Census is measuring from numbers of people who reside in specific geographic areas, to numbers of people whose tax-related correspondence is centered in those areas. That is not the analytical basis of any of the many purposes for which Census data are used.
- As Census forms are sent to specific physical residential addresses, not specific individuals, the definition would pose substantial practical problems for people who receive Census forms at physical addresses that differ from addresses they use for tax purposes. For example, if someone lives and works near a remote oil rig but uses their parents' address as their "permanent address" (including for tax correspondence), should they disregard a form they receive at the address where they live? Or should they cross out the address on that form and send it back with their tax-based address written in? Or should they ask their parents to add their name to the enumeration at their address? Disconnects between physical residential addresses and tax addresses would increase nonreporting and misreporting and impair the ability of the Census to count people once, and only once, and in the right place.
- The phrase "lawfully spending time" has no clear unique interpretation, which would leave Census respondents having to guess what is meant. Does it refer to spending time at one's "legal residence"

in some sense, such as where a person is legally required to pay taxes and/or eligible to vote? Is an undocumented immigrant expected to disregard a Census form that comes in the mail because their actual residence is not technically a "usual residence"? Again, in a survey context, questions with conceptually ambiguous terminology cause misreporting and nonresponse,[15] as people don't know what to report – which would result in unacceptable error for Census purposes.

- Adding a tax dimension to the usual-residence definition is also unrealistic in households where the Census respondent does not know what tax-related addresses other people living there use, as in roommate households (where people's finances are separate) and proxy-reporting cases (where neighbors enumerate members of a household Census has been unable to reach).[16]
- The proposed definition provides instructions relating to college students in terms of tax concepts, saying "dependents" should be left off the household list if they live separately from their "providers" during the enumeration period.[17] Yet respondents have not been told to enumerate household members as they would be listed on a hypothetical consolidated income-tax return, so referring to "dependents" has no reference frame. At the same time, no instruction is given for other college students living away; if they are not tax dependents of parents living there, should they be counted at home if they use their home address for tax purposes, but not otherwise? Generally, this illustrates that respondents would need substantially more instruction as to how their potentially complicated tax situations are supposed to affect who they list as "usual residents," increasing the time and cognitive burdens of filling out the form.[18]
- Shifting from the 200+ year practice of using a Census "reference date" to a three-month "enumeration period" would compound known reporting problems relating to residential moves and births and deaths around the Census field period.[19] Using a January 3-April 1 enumeration period, should a person who moved on March 20 be listed at their previous address, rather than their current address, as they spent more of the enumeration period there? Similarly, should a person who died on March 31 be listed as a household member, as they lived at that address for almost all of enumeration period? With no obvious benefits of using an enumeration period over a reference date, continuing with a reference date would seem far preferable for promoting accurate reporting and accurate counts of current residents of given geographic areas.
- Finally, by adding a tax dimension to the definition of "usual residence," the definition leaves unspecified how people who do not participate in the tax system (e.g., because they have only non-W2 earnings below IRS thresholds and/or because they evade) should report. For all purposes to which decennial Census data are put, there would be no reason to include or exclude people from population counts on the basis of tax filing status.

With the many reasons why people's usual residential addresses correlate imperfectly with addresses found in tax-related documents, the millions of mismatches that could be expected to result from a tax-based definition are a major reason not to shift away from the clear, well-understood definition of "usual residence" long used in the Decennial Census.

Prohibition of collection of data on race and ethnicity

The draft rule proposes to prohibit the Decennial Census, via the Federal Code of Regulations, from asking questions about race, ethnicity, or sexual orientation, on the grounds that such information is "(potentially) sensitive" and an unnecessary "encumbrance" in view of a "reduced need" for this

information, said to be due to 2025-26 executive actions framing initiatives concerned with diversity, equity, and inclusion as failing to treat "all Americans" with "equal dignity and respect."[20]

The Decennial Census has collected data on race/ethnicity since 1790.[21] Originally collected for purposes of adjusting apportionment counts to exclude or down-weight specific groups,[22] in the modern era, Census data on race/ethnicity have proven to be of high value for analyzing longer-term social and economic trends that are differentiated across groups within the U.S. population, including dynamics of population growth, patterns of residential segregation, determinants of upward mobility, and changes in mortality rates and life expectancies.[23] Decennial Census data on race/ethnicity are also critically important for studying Native American populations and other relatively small groups whose numbers in standard sample surveys are too small to provide a reliable basis for characterizing their size, geographic distribution, and demographic composition.[24] Race/ethnicity data are also used when benchmarking survey data to make them representative of the U.S. population as a whole.[25] As race/ethnicity data have been collected for 200+ years, the case is not compelling that questions about them are "(potentially) sensitive" in some way that warrants or requires removing them; on the contrary, their longstanding collection and continuing value support retaining them in the Decennial Census.[26] Thus, we favor continued collection of race/ethnicity data in the Decennial Census, and, for 2030, recommend use of the updated method specified in OMB's current Statistical Policy Directive 15, which stands to improve the quality, reliability, and utility of the race/ethnicity data.[27]

Questions on sexual orientation have never been asked in the Decennial Census, and there is no plan to include them on the 2030 Census. As such, it seems arbitrary and unwarranted to add to the Code of Federal Regulations a provision that would summarily prohibit hypothetical future Censuses from collecting this information. We see no benefit of restricting future Censuses in this way and recommend against the proposed addition to the Code of Federal Regulations.

Plans to link 2030 Decennial Census data to administrative data

The proposed rule describes general plans to link 2030 Decennial Census data to the Census Bureau's "enormously broad access to administrative records to determine the individual's legal [immigration] status …,"[28] apparently for the purpose of reducing apportionment counts by Census-inferred estimates of immigration status.[29] Holding aside significant legal questions about the appropriateness of reducing apportionments by a noncitizen count, it has not been established that the Census Bureau would be able to link 2030 Decennial Census data to citizenship-related administrative records with sufficient accuracy and completeness to produce estimates of noncitizen shares for specific geographies reliable enough to be used for major, consequential, practical purposes, like apportionment. For example, Census Bureau research found that 9% of people in the 2010 Decennial Census could not be matched to administrative records containing citizenship-related information, in part because the Decennial Census collects limited information on individuals that can used for record linkage (first and last name, age in years, data of birth, current usual residence, gender, and relationship to the Census respondent); as a result, the Census Bureau had to statistically predict immigration status for 9% of the population to be able to compute area-specific noncitizen shares.[30] Even if quantities of administrative data housed in the Census Bureau have grown since then, variables to be collected in the Census are unchanged; perhaps the proposed tax-based definition of "usual residence" could facilitate linkage, but it has not been shown that a more confusing, complex definition would not raise misreporting by enough to offset a

linkage-related benefit. Thus, we urge the Census Bureau to move carefully if it opts to explore the development of complex, novel approaches to estimating noncitizen shares for specific geographic areas, and to avoid rushing unproven data products into potential use for apportionment or other major, consequential, practical purposes.

We are also concerned that the proposed rule is unclear as to whether the plan to use the 2030 Census data for data-linkage analyses relating to citizenship would affect the full slate of Census data products released to the public, or whether such analyses would only be used by the Census Bureau to supply separate, post-Census estimates of area-specific noncitizen shares. To maintain the currently very high returns to the significant investment the taxpaying public makes in the collection of the Census data – on the order of $13 billion in the past two waves[31] – it is critical for the Census Bureau to continue releasing data reflecting the population as actually enumerated in the Decennial Census, as it has in the past, without first removing individuals that linkage analyses indicate would have a high probability of being noncitizens.

Possible plans to include a question on "legal status" in the U.S.

The proposed rule requests comments on the possibility of including a question on "legal status" in the 2030 Census. Although the proposed rule does not specify how such a question would be asked,[32] to satisfy the purposes explained in the proposed rule, Census respondents would presumably be asked to categorize each household member as, e.g., "a U.S. citizen; a non-U.S. citizen who is a lawful permanent resident; a non-U.S. citizen otherwise in the U.S. legally; or a non-U.S. citizen in the U.S. illegally."[33] Existing research using linked data suggests that citizenship rates are overreported in survey data, relative to what information from administrative data would suggest.[34] While both types of data are potentially subject to error, as are efforts to link them, this finding raises questions about the value of adding a citizenship-related question to the Decennial Census; given concerns about data quality, it is not obvious that such a question would warrant the increased burden on Census respondents, who would have to provide information for each household member.[35] It is also a concern that, in the current environment of increased efforts to reduce the country's immigrant population, publicity that the 2030 Census would be collecting information on legal status could reduce Census participation in concerned communities, which could decrease the accuracy of the Census count or raise the Census Bureau's costs of following up with nonrespondents.[36] On balance, adding a question about "legal status" seems inadvisable, given these costs and risks, particularly if it is possible to estimate relevant populations (if appropriate) using other sources.

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ENDNOTES

(URLs current as of October 30, 2026).

[1] E.g., Council of Economic Advisers, "Uses of Census Data: Analytical Review" (2000). M. Sanderson, "Usefulness of the Data Provided by the Decennial Census," *Public Opinion Quarterly*, 1969, 33(3): 318-25.

[2] As per 13 U.S. Code § 141. See Census Bureau, "About Congressional Apportionment" (Feb 2018).

[3] As per P.L. 94-171. See Census Bureau, "Decennial Census P.L. 94-171 Redistricting Data" (Nov 2023).

[4] D. Kenney (CEO of Nielsen), "A CEO's plea: Please don't mess with the Census," *New York Times* (April 22, 2019). As stated by the Supreme Court, the Decennial Census provides a "linchpin of the federal statistical system by collecting data on the characteristics of individuals, households, and housing units throughout the country." *Department of Commerce v. United States House of Representatives*, 525 U. S. 316, 341 (1999).

[5] E.g., Census Bureau, "Uses of Decennial Census Programs Data in Federal Funds Distribution" (June 2023). Census Bureau, "Uses of Census Bureau Data in Federal Funds Distribution" (Sept 2017).

[6] National League of Cities, "10 Ways Local Governments Are Using Census Data" (Jan 2022).

[7] Census Bureau, "How the Real Estate Market Relies on Census Data" (Feb 2024). *Forbes Magazine*, "U.S. Census Troubles Threaten Future Real Estate Development" (July 2017). A. Basu, "Preliminary Census Findings and their Implications for Commercial Real Estate," *Commercial Real Estate Development* (Fall 2021).

[8] E.g., R. Abramitzky, et al., "Intergenerational Mobility over Two Centuries," National Bureau of Economic Research (NBER) Working Paper No. 33330 (Jan 2025). R. Chetty, et al., "The Fading American Dream: Trends in Absolute Income Mobility since 1940," *Science*, 2017, 356(6336): 398-406. M. Bailey et al., "Is There a Case for a 'Second Demographic Transition'? Three Distinctive Features of the Post-1960 U.S. Fertility Decline," NBER Working Paper 19599 (Feb 2014). C. Simon and R. Tamura, "Do Higher Rents Discourage Fertility? Evidence from U.S. Cities, 1940-2000," *Regional Science and Urban Economics*, 2009, 39(1): 33-42. P. Taylor and R.A. Fry, "The Rise of Residential Segregation by Income," Pew Research Center Working Paper (August 2012). T. Logan and J. Parman, "The National Rise in Residential Segregation," *Journal of Economic History*, 2017, 77(1): 127-70. P. Bayer, et al., "What Drives Racial Segregation? New Evidence using Census Microdata," *Journal of Urban Economics*, 2004, 56(3): 514-35.

[9] For example, the Bureau of Labor Statistics uses Decennial Census data to benchmark inputs into the Consumer Price Index, which in turn is used as the basis for annual cost-of-living adjustments for Social Security benefits "Consumer Price Index: Data Sources" (Jan 2025). Social Security Administration, "Cost of Living Adjustment."

[10] Census Bureau, "Official Residential Criteria and Residence Situations for the 2020 Census" (Feb 2018).

[11] Federal Register, "Final 2020 Census Residence Criteria and Residence Situations" (Feb 2018).

[12] J. Krosnick and S. Presser, "Question and Questionnaire Design," in P. V. Marsden and J. D. Wright, eds., *Handbook of Survey Methods*, 2nd ed., Elsevier, 2010.

[13] Census Bureau, "2020 Census Residence Criteria and Residence Situations."

[14] D. Sater, "Geographic Coding of Administrative Records: Past Experience and Current Research," Census Working Paper POP-WP002 (April 1993). ("The mailing address represents the location at which the taxpayer wants contact with the IRS to occur. For most taxpayers, the mailing address is same as the residence address. For others, it could be a place of business, a tax preparer or accountant, a post office box, a second residence (for dual residents), parents' address, etc."). See also B. Johnson, "Using Tax Record to Verify Residence Could Put Census Accuracy at Risk," Tax Policy Center (Oct 5, 2026); J.D. Brown, et al., "Real-Time 2020 Administrative Record Census Simulation," U.S. Census Bureau (May 2023); and P. Sailer and M. Weber, "The IRS Population Count: An Update," IRS, Statistics of Income Conference Paper (Nov 1998).

[15] Krosnick and Presser, op. cit.

[16] In the most recent Census, about 7% of people lived in roommate households, and 7.4 million households (out of a total of 126.8 million) were enumerated via proxy.

[17] Federal Register, "Proposed Rule: Decennial Census of the Population of Americans; Proposed Residence Criteria and Proposed Regulations for Demographic Questions," Sept 10, 2026, 91(174): 57529-30.

[18] R. Tourangeau, et al., ed, *The Psychology of Survey Response*. New York: Cambridge, 2000. T. Yan and D. Williams, "Response Burden: Review and Conceptual Framework," *Journal of Official Statistics*, 2022, 38(4): 939-61.

[19] The reference day for the Decennial Census was the first Monday in August in 1790-1820; June 1 in 1830-1880 and 1900; June 2 in 1890; April 15 in 1910; January 1 in 1920; and April 1 in 1930-2020.
[20] Federal Register, "Proposed Rule," op. cit., p. 57526.
[21] Census Bureau, "Measuring Race and Ethnicity Across the Decades, 1790-2010, Mapped to 1997 OMB Classification Standards."
[22] Census Bureau, "About Apportionment: Historical Perspective" (Nov 22, 2021).
[23] J. Rothwell and D. Massey, "Geographic Effects on Intergenerational Income Mobility," *Economic Geography*, 2015, 91(1): 83-106. A. Owens, "Neighborhoods on the Rise: A Typology of Neighborhoods Experiencing Socioeconomic Ascent," *City & Community*, 2012, 11(4): 345-69. R. Chetty, et al., "The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility," *American Economic Review*, 2026, 116(1): 1-51. T. Logan and J. Parman, "Racial Residential Segregation in the United States," *Journal of Economic Literature*, 2025, 63(3): 964-1010. D. Aaronson, et al., "The Long-Run Effects of the 1930s Redlining Maps on Children," *Journal of Economic Literature,* 2023, 61(3): 846-62. J. Currie and H. Schwandt, "Mortality Inequality: The Good News from a County-Level Approach," *Journal of Economic Perspectives*, 2016, 30(2): 29-52. R. Akee, et al., "Race Matters: Income Shares, Income Inequality, and Income Mobility for All U.S. Races," *Demography*, 2019, 56(3): 999-1021. C. Fowler, et al., "The Contributions of Places to Metropolitan Ethno-racial Diversity and Segregation: Decomposing Change across Space and Time," *Demography*, 2016, 53(6): 1955-77. G. Firebaugh and C. Farrell, "Still Large, but Narrowing: The Sizable Decline in Racial Neighborhood Inequality in Metropolitan America, 1980-2010," *Demography*, 2016, 53(1): 139-64. E. Chyn, et al., "The Long-Run Effects of America's Largest Residential Racial Desegregation Program: Gautreaux," *Quarterly Journal of Economics*, 2025, 140(3): 2213-67.
[24] M. Connolly and B. Jacobs. "Counting Indigenous American Indians and Alaska Natives in the U.S. Census," *Statistical Journal of the International Association for Official Statistics,* 2020, 36(1): 201-10.
[25] See, e.g., BLS, "Current Population Survey Design and Methodology," Technical Paper 77 (Oct 2019), p. 70; and Census Bureau, "Population Controls for the 2021 [American Community Survey]" (August 2022).
[26] N. Jones, et al., "Measuring the Racial and Ethnic Composition and Diversity of the U.S. Population," in R. Akee, et al., eds., *Race, Ethnicity, and Economic Statistics for the 21st Century*, University of Chicago Press for the NBER, 2025.
[27] In brief, the 2024 update to Statistical Policy Directive 15 eliminated confusion caused by the two-question method of collecting race/ethnicity data that had been used in federal data collections since 1977.
[28] As stated in the proposed rule (op. cit., p. 57526), "The Census Bureau has access to a vast and expanding universe of records and information that includes, but is not limited to, Department of Treasury records; Department of Health and Human Services records; Department of Homeland Security records; Department of State records; Department of War records; U.S. Postal Service records; certain state, local, and tribal records; and third-party commercial data …. The Census Bureau therefore now has access to substantially more information than it did when it conducted the 2020 Census …."
[29] As stated in the proposed rule (op. cit., p. 57526), "[T]he Census Bureau … has preliminarily determined that, under the best reading of the Constitutional mandate, illegal aliens (among others) should not be included in the apportionment count, as they are not true inhabitants, members of the body politic, or persons with a 'usual residence' in the United States due to their lack of a sufficient tie and allegiance to the United States. … Given the historical meaning of usual residence as tied to allegiance, durable permission from the sovereign to settle within the United States, and establishment of domicile within the United States, the Census Bureau proposes to include lawful permanent residents within the apportionment base, while excluding from the apportionment base illegal aliens and aliens whose legal status is less durable and indefinite in length than lawful permanent resident status." The four categories could change, however, as the proposed rule also "invites comments on whether other forms of legal status are materially similar to lawful permanent resident status" (p. 57526).
[30] See Abowd, et al., "Determination of the 2020 U.S. Citizen Voting Age Population (CVAP) Using Administrative Records and Statistical Methodology," U.S. Census Bureau, Center for Economic Studies Technical Report 20-23 (October 30, 2020).
[31] U.S. Government Accountability Office, "2020 Census: A More Complete Lessons Learned Process for Cost and Schedule Would Help the Next Decennial," GAO-23-105819 (March 2023).
[32] The proposed rule (op. cit., p. 57526) says only generally that "The Census Bureau could … include a question about legal status on the short-form decennial census questionnaire…. The Census Bureau welcomes comments on the inclusion of a legal-status question on the short-form decennial census questionnaire."

[33] The four categories are suggested by what is said in the proposed rule (op. cit., p. 57526); see fn. 29 above.
[34] See Abowd, et al., op. cit.
[35] As with issues relating to tax correspondence, Census respondents may or may not know the "legal status" of all household members, especially in the case of roommate households and proxy reports. See p. 3 and fn. 16 above.
[36] See, e.g., D. Brown and M. Heggeness, "Citizenship Question Effects on Household Survey Response," U.S. Census Bureau, Center for Economic Studies, Working Paper 24-31 (June 2024), for research results.