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CENSUS REFORM

Major Expansion in Use of
Administrative Records for
2000 is Doubtful

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CENSUS REFORM:
MAJOR EXPANSION IN THE USE OF ADMINISTRATIVE
RECORDS FOR 2000 IS DOUBTFUL

SUMMARY OF STATEMENT BY
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In its recent report, Decennial Census: 1990 Results Show Need for Fundamental Reform (GAO/GGD-92-94, June 9, 1992), GAO discussed how the Census Bureau's current approach to taking the census appears to have exhausted its potential for counting the population cost-effectively and that fundamental changes are needed for a successful census in 2000.

The Department of Commerce and the Census Bureau have begun a census redesign initiative that has identified 14 separate alternative census designs for possible use in the next census. Four of these options would make major use of administrative records in taking the 2000 census, including 2 alternatives that would use such records to replace all or most of the direct enumeration. Administrative records were used in a number of ways in both the 1980 and 1990 censuses, including helping compile the address list, improving census coverage, and evaluating the completeness and accuracy of the count.

However, administrative records have never been used to significantly augment or replace major census data collection efforts. An administrative records-based census would need to overcome a variety of formidable technical, policy, and legal obstacles, such as identifying and securing access to administrative records that contain data collected in the census and matching administrative record sets to each other.

GAO sees no reason to believe that a census that relies fully or even primarily on administrative records for the enumeration is viable for 2000. The technical obstacles facing such an administrative records census are too great and the amount of research that needs to be completed is too significant to allow a reasonable expectation that the challenges could be resolved in time for the next census.

Although the use of administrative records does not appear promising for major data collection in 2000, such records could still play an important role in the census, as they did in 1980 and 1990. The Bureau therefore should maintain an aggressive research program that focuses on making the fullest possible use of administrative records for the census and expanding their use for intercensal estimates and other demographic data programs. Progress in using administrative records in these other efforts may teach valuable lessons for future decennial censuses.

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the Census Bureau's efforts to assess the feasibility of using administrative records as an integral part of the decennial census process. My comments are based on our work monitoring the Bureau's census redesign initiative and on our recent report to this Subcommittee and the Subcommittee on Census and Population, House Committee on Post Office and Civil Service. As you know, Mr. Chairman, our report concluded that the Bureau's current approach to taking the census appears to have exhausted its potential for counting the population cost-effectively.¹

Fundamental changes are needed for a successful census in 2000. The accuracy of the 1990 census declined while its per housing unit cost--adjusted for inflation--increased by 25 percent. Public cooperation with the census has fallen dramatically and shows little chance of improving unless design changes are made. Our report suggests a number of opportunities for reforming the census in 2000, including streamlining the census questionnaire and sampling at least some portion of the nonresponding population. Looking beyond 2000, increasing the use of administrative records, instead of relying on direct contact with the entire population through mail or face-to-face interviews, may be one way to solve some of the serious problems the Bureau faces in taking the decennial census.

However, we believe that a census based entirely, or even substantially, on administrative records is not feasible by 2000. It is already too late to complete the necessary research and testing, resolve the difficult policy and legal questions, and build the widespread acceptance such a census would require. Nevertheless, the Bureau should pursue a vigorous research program, with congressional encouragement and support, as a possible method for developing intercensal estimates and collecting demographic small area data in the 21st century.

Administrative records can be generally defined as information maintained by public or private organizations that identifies and describes a set of persons, addresses, and/or firms that are participants, licensees, or recipients of a prescribed activity. These records can be used for many purposes, including organizational membership lists, enrollment or entitlement to program benefits, receipt of customer services, and taxation billings or payments on property or income. These records have been used in both this country and others for statistical purposes. In the United States, for example, administrative records, such as income tax returns, Medicare enrollment records, and vital statistics, are used as primary sources of information for intercensal population estimates.

¹Decennial Census: 1990 Results Show Need for Fundamental Reform (GAO/GGD-92-94, June 9, 1992).

BUREAU CONSIDERED SIGNIFICANT ROLE FOR
ADMINISTRATIVE RECORDS IN 1990

Administrative records were used in important ways in the 1980 census. For example, they were used to help compile the urban address list, improve coverage among hard-to-reach people, evaluate the completeness and accuracy of the count, and for other purposes. After the 1980 census, the Bureau considered expanding the use of administrative records as part of the basic data collection process in 1990. However, early in the 1990 planning process the Bureau recognized that such a change would raise a number of difficult technical, policy, and legal issues.

In census planning forums and documents the Bureau officials expressed the need for research on such issues as

- Bureau access to administrative records at the federal, state, and local levels;
- administrative record coverage of population groups and areas;
- the ability to obtain population and housing characteristics data from administrative records;
- the ability to match administrative record sets to each other and to the census; and
- the public's concern about confidentiality and privacy and its willingness to accept the extensive use of administrative records for statistical purposes.

A January 1984 study by Bureau staff, written as a result of this early interest in administrative records, concluded that a large majority of the population can be identified through administrative records. It said that it is also possible to identify the physical location of addresses needed to assign people to the correct geographical area for reapportionment, redistricting, and statistical purposes.

The study suggested that test projects were needed to develop and evaluate this methodology, but emphasized that such tests required time for planning, execution, and analysis. It also said that it was unlikely that an administrative records-based census could be validated and put in place for 1990. The study recommended, however, that a research agenda and planning schedule be established leading to a large-scale test of an administrative records-based census in conjunction with the 1990 census.

Although there was extensive discussion and debate on the potential uses of administrative records, tests of the uses of

administrative records during the field tests for the 1990 census were limited to those that augmented or complemented traditional census methods, as essentially was done with the 1980 census. An administrative records-based census was not tested.²

In fact, as a result of its 1986 test and evaluations of the 1980 census, the Bureau dropped its Nonhousehold Sources Program in which names obtained from the Immigration and Naturalization Service and selected state and local records were matched to the census. Research indicated that the program did not cost-effectively add persons to the census.³

USE OF ADMINISTRATIVE RECORDS IN 1990
DID NOT SIGNIFICANTLY EXPAND OVER 1980

The Bureau made limited use of administrative records during the 1990 census because it had been unable to make sufficient progress in addressing the formidable obstacles to using them for major census data collection efforts. It used commercial vendor mailing lists as the basis for its address list in urban areas, as it had for the 1980 and 1970 censuses. It used various administrative records to help identify places where special procedures were needed, such as homeless shelters; and to enumerate people in group quarters, such as nursing homes and jails.

Late in the census planning cycle, the Bureau decided to implement an untested special effort to improve the count among parolees and probationers in 1990. As part of that effort, the Bureau asked parole and probation officials in August 1990 to certify that the addresses on their clients' lists were accurate as of April 1, 1990. The Bureau attempted to match individuals on those lists with census forms from the appropriate address; persons who were not listed on the census form were added to the count. However, the Bureau did not consistently assess the quality of the information it received from the parole and probation officials. About half of the 400,000 to 500,000 people

²In 1984 the Bureau compared commercial mailing lists for urban areas against the 1980 census address register and an address list constructed by the Postal Service. In 1986 the Bureau tested the cost efficiency of administrative records used to improve coverage for selected populations. In 1988 the Bureau tested the use of administrative records to improve the accuracy of the post enumeration survey.

³We discussed the Nonhousehold Sources Program in 1990 Census: Comparison of Coverage Improvement Programs for 1980-1990 (GAO/GGD-90-8, Nov. 28, 1989).

added to the census by this program were later estimated to have been included erroneously.⁴

The Bureau also uses administrative records to help evaluate the census. The demographic analysis technique of measuring the census undercount, used since 1940, relies extensively on records of births, deaths, immigration, and emigration to estimate population at the national level. The Bureau also is comparing the consistency of census data on population and housing characteristics at aggregated levels of geography with data obtained from administrative records and other surveys external to the census. The Bureau is comparing individual census form answers on certain housing characteristics with data obtained from administrative record sources. However, the Bureau's 1990 Research, Evaluation, and Experimentation program did not test any experimental uses of administrative records to replace or augment the count as part of the census.

In short, Mr. Chairman, the Bureau understood early in the 1980s the major technical and policy challenges that confront efforts to use administrative records for major census data collection-- automation technology to compile and manipulate the various record files must be developed, access to administrative files must be obtained, records in the various files must be linked, and public concern about protecting the privacy and confidentiality of data must be addressed. However, the Bureau was not able to resolve these issues, and the use of administrative records in the 1990 census, similar to 1980, remained limited.

BUREAU IMPLEMENTING RESEARCH EFFORT FOR 2000 CENSUS

As you know, Mr. Chairman, as part of the 2000 census planning effort, the Department of Commerce and the Bureau identified 14 separate alternative census designs. Within the next year and a half these broad options will be reduced down to the few most feasible alternatives for testing in 1995. Four of these 14 options would make major use of administrative records in taking the 2000 census, including 2 alternatives that would use such records to replace all or most of the direct enumeration.

As part of its efforts to assess the feasibility of the design options, the Bureau has initiated research intended to address the major issues associated with using administrative records for taking the decennial census. Specifically, the Bureau is

-- determining the computer capacity, software, and personnel needed to compile, merge, and remove duplications from a

⁴For additional information on this program see Components of the 1990 Census Count (GAO/T-GGD-91-8, Feb. 21, 1991).

- large volume of administrative files so that the counts of the population and their characteristics can be tallied;
- identifying the contents of records systems maintained by states and a sample of local governments;
 - determining its access to files maintained by other federal agencies and state and local governments;
 - considering some form of test comparing the results achieved by developing census data using administrative records with those achieved by traditional census methods;
 - researching the difficult tasks of matching individuals in the various administrative files and assigning them to a census address; and
 - assessing public reactions to a census that makes extensive use of administrative data and the potential for breaches of confidentiality if various record systems are linked.

The Bureau's research effort should provide valuable information on the degree to which the use of administrative records can be expanded in the decennial census and other demographic programs. However, the current effort represents only the first step of what must be a long-term program. For example, the present research effort is focusing on determining automation needs for handling large administrative records. Actually building that capacity will be left to later research. Similarly, identifying existing administrative databases, the content of those databases, and issues associated with access is critical, but only as part of a larger agenda that actually gains access and manipulates the data.

We believe that now that the Department and the Bureau have developed a wide-ranging list of possible alternative designs, a key measure of continued progress will be the degree to which design alternatives are rejected for use in the next census. I cannot stress strongly enough that if the full spectrum of possible alternatives is still being considered at this time next year, the possibility for meaningful change for 2000 will be severely diminished.

To make progress on fundamental reform, the Bureau must concentrate its time and efforts on the early identification of the most promising design alternatives for 2000. Concerted planning for the 1995 test census--the results of which should largely determine the basic design of the 2000 census--is scheduled to begin in the fall of 1993. The Bureau must by then have committed itself to the primary alternatives to be tested so that it has time to make the operational plans necessary for the test.

On the basis of the Bureau's research plans and timetables for administrative records, we see no reason to believe that a census that relies fully or even primarily on administrative records for basic data collection is viable for 2000. The technical obstacles facing an administrative records census are too great and the amount of research that needs to be completed is too significant to allow a reasonable expectation that the challenges can be resolved sufficiently by the fall of 1993 to allow testing in 1995 and implementation in 2000.

BUREAU NEEDS TO CONTINUE RESEARCH ON ADMINISTRATIVE RECORDS

The Department of Commerce and the Bureau have been clear in their recognition that some of the options for fundamentally redesigning the census would not technically be possible for 2000 but may be possible for subsequent censuses. As I noted, we believe that options designed to make major uses of administrative records for basic data collection fall into this category. However, administrative records could still play a role in the 2000 census by, for example, helping to develop the address list, improve coverage, and evaluate completeness.

Therefore, it is vitally important that research and experimentation on using administrative records continue throughout the decade and into the next century. One promising area that we discussed in our report on the opportunities for reform is the Bureau's consideration of increased reliance on the Postal Service. The Postal Service is developing an automated address file that will include every address to which mail is delivered and be updated regularly. Such a file could help the Bureau identify housing units and their occupancy status.

The expanded use of administrative records also appears to hold promise for improving a variety of demographic statistical programs, such as the Bureau's efforts to develop intercensal population estimates--a matter that has been of concern to this Subcommittee. Expanding the use of administrative records for such estimates is promising because precision at lower geographic levels is not so critical for intercensal estimates as for the census. Although we have not examined the Bureau's intercensal population estimates program in any detail, we understand that the Bureau is exploring ways to making greater use of administrative records to develop subnational estimates.

The Bureau therefore must ensure that the research agenda for administrative records is not overly dependent on the needs and funding of the decennial census. Indeed, progress in using administrative records to develop intercensal population estimates and assist with other demographic programs may teach valuable lessons for future decennial censuses.

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In summary, Mr. Chairman, administrative records will likely have a role in the 2000 census, but not as a major part of basic data collection. Nevertheless, the Bureau must ensure that it maintains a consistent and coordinated approach to research on administrative records not only for the 2000 census, but also for subsequent censuses when the significantly increased use of such records may be promising. Equally important, the Bureau must maintain a research program for administrative records that is not dependent on the decennial census and makes full use of opportunities to use administrative records in other demographic data programs.

This concludes my prepared statement. My colleagues and I would be pleased to answer any questions.

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