2010 CENSUS

Counting Americans Overseas as Part of the Census Would Not Be Feasible

Statement of Patricia A. Dalton
Director, Strategic Issues
September 14, 2004

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Counting Americans Overseas as Part of the Census Would Not Be Feasible

What GAO Found

The test results suggest that counting all American citizens overseas as part of the census would require enormous resources, but still not yield data at the level of quality needed for purposes of congressional apportionment. Participation in the test was poor, with just 5,390 questionnaires returned from the three test sites.

Enumerating Americans in Mexico and France

Moreover, as the Bureau’s experience during the 2000 Census shows, securing better participation in a global count might not be practical. The Bureau spent $374 million on a months-long publicity campaign that consisted of television and other advertising that helped produce a 72-percent return rate. Replicating the same level of effort on a worldwide basis would be difficult, and still would not produce a complete count. Further, the low participation levels in the test made the unit cost of each response relatively high at around $1,450.

The test results highlighted other obstacles to a cost-effective count including the resources needed to address country-specific problems and the difficulties associated with managing a complex operation from thousands of miles away. The approach used to count the overseas population in the 2004 test—a voluntary survey that largely relies on marketing to secure a complete count, lacks the basic building blocks of a successful census such as a complete and accurate address list and the ability to follow-up with nonrespondents. As the Bureau already faces the near-daunting task of securing a successful stateside count in 2010, having to simultaneously count Americans abroad would only add to the challenges it faces.

What GAO Recommends

In our latest report, we suggest that Congress may wish to consider eliminating funding for additional research related to counting Americans abroad as part of the decennial census. However, funding for the evaluation of the 2004 test should continue as planned to inform congressional decision making. Should Congress desire better data on overseas Americans for certain policy-making and other nonapportionment purposes, Congress may wish to consider funding research on the feasibility of counting this group using alternatives to the decennial census. To facilitate this decision making, we are recommending that the Bureau, in consultation with Congress, research options such as using a separate survey. The Bureau agreed with our conclusions and recommendations.
Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the feasibility of counting Americans residing abroad. As you know, last year we named the 2010 Census a major management challenge and program risk because of the numerous operational and other questions facing a cost-effective head count, the price tag of which now exceeds $11 billion, according to U.S. Census Bureau (Bureau) estimates.

The issue of whether and how to count overseas Americans are two such questions. How they get resolved could have implications for the cost and quality of the 2010 Census, as well as for the various purposes for which the data are used, congressional apportionment among them.

Advocates of an overseas census believe that better demographic data on Americans abroad would be useful for a variety of policy-making and business purposes, and would make their unique interests more visible to Congress. The Constitution and federal statutes give the Bureau discretion over whether to count Americans abroad. With few exceptions, the Bureau has historically counted only “federally affiliated” individuals, a group consisting of members of the military, federal civilian employees, and their dependents.

Following the 2000 Census, in response to congressional direction and the concerns of various private organizations, the Bureau launched a test enumeration to assess the practicality of counting both private and federally affiliated U.S. citizens abroad. The key part of this effort, the data collection phase, took place between February and July 2004 in three countries: France, Kuwait, and Mexico. The cost of the test—from initial planning in 2003 through final evaluations in 2005—will be about $7.8 million, according to Bureau estimates.

At the Subcommittee’s request, we have evaluated the test’s design and execution, and have published two reports on the subject, the latest of which we are releasing this afternoon.¹ My remarks today summarize the results of our research. Our findings are based on our on-site observations.
in Paris, France, and Guadalajara, Mexico; as well as our analysis of applicable planning, legal, and other documents, and interviews with Bureau officials and representatives of private organizations who helped the Bureau promote the census at the three test sites. We conducted our audit work from June 2003 through July 2004, in accordance with generally accepted government auditing standards.

Although the complete results of the test will not be available until next year when the Bureau expects to finalize its evaluations, two important findings have already emerged.

First, the 2004 overseas test was an extremely valuable exercise in that it revealed the numerous obstacles to counting Americans abroad via the decennial census. The tools and resources the Bureau has available to enumerate this group, largely for reasons of practicality, cannot cost-effectively surmount these obstacles, and it is unlikely that any refinements or additional resources would generate substantially better data, and certainly not at the level of quality needed for purposes of congressional apportionment. Consequently, Congress may wish to consider eliminating funding for any additional research and testing related to counting this group as part of the decennial headcount, including tests planned for 2006 and 2008 (although funding for completing the evaluation of the 2004 test should continue as planned).

Second, to the extent that better data on overseas Americans might be useful for various policy-making and other nonapportionment purposes that do not need as much precision, such information does not need to be collected as part of the decennial census. It will be important for Congress, the Bureau, and stakeholders to work together to explore the feasibility of counting overseas Americans using alternatives to the decennial census such as a separate survey and/or administrative records.

Background

Historically, the census has focused on counting people stateside, although various overseas population groups have been included in the census at different times. For example, as shown in table 1, over the last century, the Bureau has generally included federally affiliated individuals and their dependents, but except for the 1960 and 1970 Censuses, has excluded private citizens such as retirees, students, and business people. In addition, only the 1970, 1990, and 2000 Censuses used counts of federally affiliated personnel for purposes of apportioning Congress. As a result, although
estimates exceed four million people, the precise number of Americans residing abroad is unknown.

Table 1: Treatment of Certain Population Groups Living or Working Overseas in the Decennial Censuses, 1900-2000

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<td>U.S. military personnel stationed abroad or at sea and their dependents</td>
<td>X</td>
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<td>X</td>
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<td>Federal civilian employees stationed abroad and their dependents</td>
<td>X</td>
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<td>X</td>
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<tr>
<td>Persons abroad working for the American Red Cross or in the consular service and their dependents</td>
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<td>Private U.S. citizens abroad for an extended period</td>
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*This table excludes the officers and crew of merchant marine vessels because available data were unclear as to whether these groups were included in the overseas enumerations or the stateside counts in the decennial censuses.

Key: ✓ = Included in the population count used for congressional apportionment. X = Counted in the census, but not included in the population totals used for apportionment.

The Constitution and federal statutes give the Bureau discretion over whether to count Americans overseas. Thus, Congress would need to enact legislation if it wanted to require the Bureau to include overseas Americans in the 2010 Census. Nevertheless, in recent years, the Bureau’s policy of excluding private citizens from the census has been questioned. For example, advocates of an overseas census claim that better data on this population group would be useful for a variety of policy-making and other purposes. Moreover, the overseas population could, in some instances, affect congressional apportionment.

More generally, the rights and obligations of overseas Americans under various federal programs vary from activity to activity. For example, U.S. citizens residing overseas are taxed on their worldwide income, can vote in federal elections, and can receive Social Security benefits, but they are

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generally not entitled to Medicare benefits, or, if they reside outside of the United States for more than 30 days, Supplemental Security Income.

**Cost-Effectiveness Would be Problematic**

The initial results of the overseas census test suggest that counting Americans abroad on a global basis would require enormous resources and still not yield data that are comparable in quality to the stateside count. Indeed, participation in the test was low and relatively costly to obtain, and on-site supervision of field activities proved difficult. The test made clear that the current approach to counting Americans abroad—a voluntary survey that relies largely on marketing to get people to participate—by itself cannot secure a successful head count.

**Securing an Acceptable Response Rate Would Be Challenging and Costly**

To promote the overseas census test the Bureau relied on third parties—American organizations and businesses in the three countries—to communicate to their members and/or customers that an overseas enumeration of Americans was taking place and to make available to U.S. citizens either the paper questionnaire or Web site address where Americans could complete their forms via the Internet.

Still, the response to the overseas census test was disappointing. The 5,390 responses the Bureau received from the three test countries was far below what the Bureau planned for when it printed the questionnaires. While the Bureau ordered 520,000 paper forms for the three test sites, only 1,783 census forms were completed and returned. Of these, 35 were Spanish language forms that were made available in Mexico. The remaining 3,607 responses were completed via the Internet. Table 2 shows the number of census questionnaires that the Bureau printed for each country and the number of responses it actually received in both the paper format and via the Internet.
In May, to help boost the lagging participation, the Bureau initiated a paid advertising campaign that included print and Internet ads in France, and print and radio ads in Mexico. (See fig. 1 for examples of the ads used in the paid advertising campaign). According to a Bureau official, the ads had only a slight impact on response levels.
Moreover, the Bureau’s experience during the 2000 Census suggests that securing a higher return rate on an overseas census would be an enormous challenge and may not be feasible. The Bureau spent $374 million on a comprehensive marketing, communications, and partnership effort for the 2000 Census. The campaign began in the fall of 1999 and continued past Census Day (April 1, 2000). Specific elements included television, radio, and other mass media advertising; promotions and special events; and a census-in-schools program. Thus, over a period of several months, the American public was on the receiving end of a steady drumbeat of
advertising aimed at publicizing the census and motivating them to respond. This endeavor, in concert with an ambitious partnership effort with governmental, private, social service, and other organizations helped produce a return rate of 72 percent.³

Replicating this level of effort on a worldwide basis would be impractical, and still would not produce a complete count. Indeed, even after the Bureau's aggressive marketing effort in 2000, it still had to follow-up with about 42 million households that did not return their census forms.

Unit Costs Were High

Because the overseas test had such low participation levels, the unit cost of each response was high—roughly $1,450 for each returned questionnaire, based on the $7.8 million the Bureau spent preparing for, implementing, and evaluating the 2004 overseas test. Although the two surveys are not directly comparable because the 2000 Census costs covered operations not used in the overseas test, the unit cost of the 2000 Census—which was the most expensive in our nation's history—was about $56 per household.

Ensuring a Smooth Enumeration Could Stretch the Bureau's Resources

Not surprisingly, as with any operation as complex as the overseas enumeration test, various unforeseen problems arose. The difficulties included grappling with country-specific issues and overseeing the contractor responsible for raising public awareness of the census at the three test sites. While the Bureau was able to address them, it is doubtful that the Bureau would have the ability to do so in 2010 should there be a full overseas enumeration.

Country-specific Issues Created Implementation Problems

The Bureau encountered a variety of implementation problems at each of the test sites. Although such difficulties are to be expected given the magnitude of the Bureau's task, they underscore the fact that there would be no economy of scale in ramping up to a full enumeration of Americans abroad. In fact, just the opposite would be true. Because of the inevitability of country-specific problems, rather than conducting a single overseas count based on a standard set of rules and procedures (as is the case with the stateside census), the Bureau might end up administering

what amounts to dozens of separate censuses—one for each of the countries it enumerates—each with its own set of procedures adapted to each country’s unique requirements. The time and resources required to do this would likely be overwhelming and detract from the Bureau’s stateside efforts.

For example, addressing French privacy laws that restrict the collection of personal data such as race and ethnic information took a considerable amount of negotiation between the two countries, and was ultimately resolved after a formal agreement was developed. Likewise, in Kuwait, delivery of the census materials was delayed by several weeks because they were accidentally addressed to the wrong contractor.

On-site Supervision of Contractor Was Problematic

The Bureau hired a public relations firm to help market participation in the test. Its responsibilities included identifying private companies, religious institutions, service organizations, and other entities that have contact with Americans abroad and could thus help publicize the census test. Although the public relations firm appeared to go to great lengths to enlist the participation of these various entities—soliciting the support of hundreds of organizations in the three countries—the test revealed the difficulties of adequately overseeing a contractor operating in multiple sites overseas.

For example, the public relations firm’s tracking system indicated that around 440 entities had agreed to perform one or more types of promotional activities. However, our on-site inspections of several of these organizations in Paris, France, and Guadalajara, Mexico, that had agreed to display the census materials and/or distribute the questionnaires, uncovered several glitches. Of the 36 organizations we visited that were supposed to be displaying promotional literature, we found the information was only available at 15. In those cases, as shown in Figure 2, the materials were generally displayed in prominent locations, typically on a table with posters on a nearby wall.
However, at 21 sites we visited, we found various discrepancies between what the public relations firm indicated had occurred, and what actually took place. For example, while the firm’s tracking system indicated that questionnaires would be available at a restaurant and an English-language bookstore in Guadalajara, none were present.

Likewise, in Paris, we went to several locations where the tracking system indicated that census information would be available. None was. In fact, at some of these sites, not only was there no information about the census,
but there was no indication that the organization we were looking for resided at the address we had from the database.

Overseas Census Design Does Not Have the Capacity to Overcome Enumeration Obstacles

The Bureau’s longstanding experience in counting the nation’s stateside population has shown that specific operations and procedures together form the building blocks of a successful census. The design of the overseas test—a voluntary survey that relies heavily on marketing to secure a complete count—lacks these building blocks largely because they are impractical to perform in other countries. Thus, the disappointing test results are not surprising. What’s more, refining this basic design or adding more resources would probably not produce substantially better outcomes. The building blocks include the following:

- **Mandatory participation:** Under federal law, all persons residing in the United States regardless of citizenship status are required to respond to the stateside decennial census. By contrast, participation in the overseas test was optional. The Bureau has found that response rates to mandatory surveys are higher than the response rates to voluntary surveys. This in turn yields more complete data and helps hold down costs.

- **Early agreement on design:** Both Congress and the Bureau need to agree on the fundamental design of the overseas census to help ensure adequate planning, testing and funding levels. The design of the census is driven in large part by the purposes for which the data will be used. Currently, no decisions have been made on whether the overseas data will be used for purposes of congressional apportionment, redistricting, allocating federal funds, or other applications. Some applications, such as apportionment, would require precise population counts and a very rigorous design that parallels the stateside count. Other applications, however, could get by with less precision and thus, a less stringent approach.

- **A complete and accurate address list:** The cornerstone of a successful census is a quality address list. For the stateside census, the Bureau goes to great lengths to develop what is essentially an inventory of all known living quarters in the United States, including sending census workers to canvass every street in the nation to verify addresses. The Bureau uses this information to deliver questionnaires, follow up with nonrespondents, determine vacancies, and identify households the Bureau may have missed or counted more than once. Because it would
be impractical to develop an accurate address list for overseas Americans, these operations would be impossible and the quality of the data would suffer as a result.

- **Ability to detect invalid returns**: Ensuring the integrity of the census data requires the Bureau to have a mechanism to screen out invalid responses. Stateside, the Bureau does this by associating an identification number on the questionnaire to a specific address in the Bureau's address list, as well as by field verification. However, the Bureau's current approach to counting overseas Americans is unable to determine whether or not a respondent does in fact reside abroad. So long as a respondent provides certain pieces of information on the census questionnaire, it will be eligible for further processing. The Bureau is unable to confirm the point of origin for questionnaires completed on the Internet, and postmarks on a paper questionnaire only tell the location from which a form was mailed, not the place of residence of the respondent. The Bureau has acknowledged that ensuring such validity might be all but impossible for any reasonable level of effort and funding.

- **Ability to follow up with non-respondents**: Because participation in the decennial census is mandatory, the Bureau sends enumerators to those households that do not return their questionnaires. In cases where household members cannot be contacted or refuse to answer all or part of a census questionnaire, enumerators are to obtain data from neighbors, a building manager, or other nonhousehold member presumed to know about its residents. The Bureau also employs statistical techniques to impute data when it lacks complete information on a household. As noted above, because the Bureau lacks an address list of overseas Americans, it is unable to follow-up with nonrespondents or impute information on missing households, and thus, would never be able to obtain a complete count of overseas Americans.

- **Cost model for estimating needed resources**: The Bureau uses a cost model and other baseline data to help it estimate the resources it needs to conduct the stateside census. Key assumptions such as response levels and workload are developed based on the Bureau's experience in counting people decade after decade. However, the Bureau has only a handful of data points with which to gauge the resources necessary for an overseas census, and the tests it plans on conducting will only be of limited value in modeling the costs of conducting a worldwide
enumeration in 2010. The lack of baseline data could cause the Bureau to over- or underestimate the staffing, budget, and other requirements of an overseas count.

- **Targeted and aggressive marketing campaign**: The key to raising public awareness of the census is an intensive outreach and promotion campaign. As noted previously, the Bureau’s marketing efforts for the 2000 Census were far-reaching, and consisted of more than 250 ads in 17 languages that were part of an effort to reach every household, including those in historically undercounted populations. Replicating this level of effort on a global scale would be both difficult and expensive, and the Bureau has no plans to do so.

- **Field infrastructure to execute census and deal with problems**: The Bureau had a vast network of 12 regional offices and 511 local census offices to implement various operations for the 2000 Census. This decentralized structure enabled the Bureau to carry out a number of activities to help ensure a more complete and accurate count, as well as deal with problems when they arose. Moreover, local census offices are an important source of intelligence on the various enumeration obstacles the Bureau faces on the ground. The absence of a field infrastructure for an overseas census means that the Bureau would have to rely heavily on contractors to conduct the enumeration, and manage the entire enterprise from its headquarters in Suitland, Maryland.

- **Ability to measure coverage and accuracy**: Since 1980, the Bureau has measured the quality of the decennial census using statistical methods to estimate the magnitude of any errors. The Bureau reports these estimates by specific ethnic, racial, and other groups. For methodological reasons, similar estimates cannot be generated for an overseas census. As a result, the quality of the overseas count, and thus whether the numbers should be used for specific purposes, could not be accurately determined.

**Policy and Conceptual Questions Need Resolution**

So far I’ve described the logistical hurdles to counting overseas citizens as part of the census. However, there are a series of policy and conceptual questions that need to be addressed as well. They include:

What determines residency in another country? To determine who should be included in the stateside census, the Bureau applies its “usual residence rule,” which it defines as the place where a person lives and sleeps most of the time. People who are temporarily absent from that place are still counted as residing there. One’s usual residence is not necessarily the same as one’s voting residence or legal residence.

The Bureau has developed guidelines, which it prints on the stateside census form, to help people determine who should and should not be included. The Bureau has not yet developed similar guidance for American citizens overseas. Thus, what should determine residency in another country? Duration of stay? Legal status? Should students spending a semester abroad but who maintain a permanent residence stateside be counted overseas? What about people on business or personal trips who maintain stateside homes? Quality data will require residence rules that are transparent, clearly defined, and consistently applied.

How should overseas Americans be assigned to individual states? For certain purposes, such as apportioning Congress, the Bureau would need to assign overseas Americans to a particular state. Should one’s state be determined by the state claimed for income tax purposes? Where one is registered to vote? Last state of residence before going overseas? These and other options all have limitations that would need to be addressed.

How should the population data be used? To apportion Congress? To redistrict Congress? To allocate federal funds? To provide a count of overseas Americans only for general informational purposes? The answers to these questions have significant implications for the level of precision needed for the data and, ultimately, the enumeration methodology.

Congress will need to decide whether or not to count overseas Americans, and how the results should be used. These decisions, in turn, will drive the methodology for counting this population group. As I’ve already mentioned, no decisions have been made on whether the overseas data will be used for purposes of congressional apportionment, redistricting, allocating federal funds, or other applications. Some uses, such as apportionment, would require precise population counts and a very rigorous design that parallels the stateside count. Other applications do
not need as much precision, and thus a less rigorous approach would suffice.

The basis for these determinations needs to be sound research on the cost, quality of data, and logistical feasibility of the various options. Possibilities include counting Americans via a separate survey, administrative records such as passport and voter registration forms; and/or records maintained by other countries such as published census records and work permits.

The Bureau's initial research has shown that each of these options has coverage, accuracy, and accessibility issues, and some might introduce systemic biases into the data. Far more extensive research would be needed to determine the feasibility of these or other potential approaches.

In summary, the 2004 overseas census test was an extremely valuable exercise in that it showed how counting Americans abroad as an integral part of the decennial census would not be cost-effective. Indeed, the tools and resources available to the Bureau cannot successfully overcome the inherent barriers to counting this population group, and produce data comparable to the stateside enumeration. Further, an overseas census would introduce new resource demands, risks, and uncertainties to a stateside endeavor that is already costly, complex, and controversial.

Securing a successful count of Americans in Vienna, Virginia, is challenging enough; a complete count of Americans in Vienna, Austria, and in scores of other countries around the globe, would only add to the difficulties facing the Bureau as it looks toward the next national head count. Consequently, the report we released today suggests that Congress should continue to fund the evaluation of the 2004 test as planned, but eliminate funding for any additional tests related to counting Americans abroad as part of the decennial census.

However, this is not to say that overseas citizens should not be counted. Indeed, to the extent that Congress desires better data on the number and characteristics of Americans abroad for various policy-making and other nonapportionment purposes that do not need as much precision, such information does not necessarily need to be collected as part of the decennial census, and could, in fact, be acquired through a separate survey or other means.

To facilitate congressional decision-making on this issue, our report recommends that the Bureau, in consultation with Congress, research such
options as counting people via a separate survey; administrative records such as passport data; and/or data exchanges with other countries’ statistical agencies subject to applicable confidentiality considerations. Once Congress knows the tradeoffs of these various alternatives, it would be better positioned to provide the Bureau with the direction it needs so that the Bureau could then develop and test an approach that meets congressional requirements at reasonable resource levels. The Bureau agreed with our conclusions and recommendations.

Successfully counting the nation’s population is a near-daunting task. As the countdown to the next census approaches the 5-year mark, the question of enumerating Americans overseas is just one of a number of issues the Bureau needs to resolve. On behalf of the Subcommittee, we will continue to assess the Bureau’s progress in planning and implementing the 2010 Census and identify opportunities to increase its cost-effectiveness.

Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions that you or other Members of the Subcommittee might have.

Contacts and Acknowledgments

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