Why GAO Did This Study

With a life-cycle cost of about $13 billion, the 2010 Census was the most expensive U.S. census in history and was 56 percent more costly than the $8.1 billion 2000 Census (in constant 2010 dollars). The Bureau estimates that its use of administrative records in the 2020 Census will reduce the cost compared to traditional census methods by $1.4 billion.

Given the potential cost savings associated with the use of administrative records, this testimony, which is based on a report GAO released last month, focuses on (1) the Bureau’s plans for using administrative records, and the opportunities and challenges the Bureau faces going forward; and (2) the key assumptions supporting estimates of expected cost savings. To meet these objectives, GAO reviewed Bureau planning documents and test plans, and interviewed Bureau officials. GAO also relied on its Schedule Assessment Guide.

What GAO Recommends

In its report issued last month GAO recommended that the Census Director set deadlines for making final decisions about which records to use, and for what purpose. This will help ensure the Bureau’s resources focus on those activities that show the most promise for reducing enumeration costs. The Department of Commerce—the Bureau’s parent agency—concurred with GAO’s findings and recommendation.

What GAO Found

The U.S. Census Bureau (Bureau) estimates that it can save around $1.4 billion using administrative records, compared to relying solely on traditional enumeration methods. While the Bureau has made some limited use of administrative records during past decennials, it plans to use them much more extensively in 2020 to achieve these savings.

For example, the Bureau plans to use administrative records to reduce the field work required for its most expensive census operation—nonresponse follow-up—when temporary Bureau employees knock on doors across the country to obtain information from people who did not respond to the census, or who were missed by census mailings. According to the Bureau, using administrative records to (1) identify vacant housing units; (2) identify and enumerate occupied nonresponding housing units when the records meet a certain quality threshold; and (3) predict the best times to visit a household can generate substantial cost savings. The Bureau is also exploring the feasibility of nine additional uses of administrative records that could reduce costs and improve the quality of the census still further. The Bureau already has access to nearly all of the data sources it needs to achieve the desired cost savings. It is also working to gain access to additional databases that could help improve its ability to find historically hard-to-count populations, such as certain minority groups and young children. While the Bureau is to be commended for its efforts to expand its use of administrative records, going forward, it will be important to set deadlines to help ensure it makes timely decisions on these other databases and uses of administrative records. According to Bureau officials, final decisions on the use of administrative records are needed by the end of fiscal year 2017 so the records can be adequately tested in the Bureau’s full end-to-end test in 2018. However, these deadlines do not appear in schedule documents.

It will also be important for the Bureau to address key challenges to using administrative records, including (1) ensuring the quality of the records it receives from other government agencies; (2) protecting confidential data; and (3) ensuring congressional and public acceptance of the Bureau’s plan to share personal data across government agencies. The Bureau’s ongoing research and testing efforts can help with the first challenge. Fully implementing our prior recommendations to strengthen the security of its information systems and to develop a congressional outreach strategy could help address the second and third challenges.

Key assumptions the Bureau used in estimating potential cost savings from administrative records are logical, and the Bureau plans to provide additional support for them. For example, the Bureau’s assumption that it could reduce its follow-up workload follows clearly from the Bureau’s use of administrative records to remove vacant units from among those housing units needing follow-up because people did not respond to the census, reducing that workload by 11.6 percent. The Bureau released an updated life-cycle cost estimate in October 2015, and GAO anticipates reviewing its reliability after the Bureau makes support for the estimate available.