



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

May, 2019

Joint Committee on Finance

Paper #101

Census Appropriation Creation (Administration -- General Agency Provisions)

[LFB 2019-21 Budget Summary: Page 22, #3]

CURRENT LAW

The Department of Administration's (DOA) Division of Intergovernmental Relations (DIR) provides services related to land use planning, land information and records modernization, municipal boundary review, plat review, coastal management programs, and demography. The Division also assists with the utilization of U.S. Census Bureau data and the development of annual population estimates. The Division's operating budget for 2018-19 is \$14,258,600 (\$871,200 GPR, \$5,575,900 FED, \$424,000 PR, and \$7,387,500 SEG) and 20.5 positions (5.77 GPR, 4.65 FED, 6.73 PR, and 3.35 SEG).

GOVERNOR

Create a biennial GPR appropriation under DOA's supervision and management program for census activities. Provide one-time financing of \$1,000,000 GPR in 2019-20 for activities and preparation related to the 2020 U.S. census.

DISCUSSION POINTS

1. The U.S. Census Bureau is overseen by the U.S. Department of Commerce. Every 10 years ending in zero, the Census Bureau counts where each resident lives through a constitutionally required process referred to as the decennial census. The next decennial census is scheduled for April 1, 2020. Every household will have the option of responding to the 2020 census online, by mail, or by phone. The 2020 census will be the first decennial census in which respondents can answer online.

2. The results of the decennial census determine the number of seats for each state in the U.S. House of Representatives, are used to draw congressional and state legislative districts, and determine the distribution of more than \$675 billion in federal funds each year. A 2018 study by George Washington University reported that Wisconsin received \$12.6 billion in 2015-16 through 55 federal programs that allocate funds based on census data. Federal programs with funding distributions based on census data include transportation programs (such as highway planning and construction) and social services programs (such as the medical assistance program, federal direct student loans, and the supplemental nutrition assistance program).

3. Under 1989 Act 31, \$68,400 GPR and 1.0 GPR project position was provided to DOA to assist with the preparation of the 1990 census. Under 1999 Act 9, \$250,000 GPR and 1.0 GPR project position was provided to conduct a statewide program to educate the public concerning the 2000 census. Further, Act 9 provided \$600,000 GPR in a biennial appropriation for census education and assistance grants. The appropriation sunset in 2001, at the end of the biennium. No state funding was provided for the 2010 decennial census. Base funding for the 2019-21 biennium does not include amounts to support the 2020 decennial census.

4. A low response rate in 2020 could limit the amount of federal funds provided to Wisconsin during the subsequent decade. For example, the George Washington University study estimated that Wisconsin has lost \$1,338 per capita annually since 2010 from U.S. Department of Health and Human Services programs because the state's population was undercounted during the 2010 census. Further, it has been cautioned that the 2020 census could be the target of attempted hacking and disinformation campaigns, which could reduce public trust and lower participation rates.

5. Given the potential challenges and importance of obtaining an accurate count in 2020, several states have provided resources for census education. Table 1 below shows authorized (enacted) amounts for 2020 census outreach for each state that has authorized funds for census outreach, as reported by the National Conference of State Legislatures. Pending legislation in eight other states (Alabama, Alaska, Arizona, Colorado, Indiana, New Jersey, New Mexico, and New York) would authorize funding for census outreach in those states.

TABLE 1

2020 Census Outreach Allocations

<u>State</u>	<u>Total Authorized for 2020 Census Outreach</u>	<u>Spending per Capita</u>
California	\$100,300,000	\$2.47
Maryland	5,000,000	0.81
Georgia	2,251,000	0.21
Wisconsin (Proposed)	1,000,000	0.17
Illinois	1,500,000	0.12
Minnesota	380,000	0.07
Washington	464,000	0.06
Michigan	500,000	0.05
Oregon	230,800	0.05
Virginia	115,000	0.01

6. The administration indicates that with funding provided under the bill, outreach efforts in Wisconsin would focus on hard-to-count (HTC) residents, described by the Census Bureau as residents who are difficult to locate, contact, persuade to participate, or interview. For example, residents in rural areas without traditional addresses do not receive questionnaires by mail. Other individuals may be difficult to count because they lack internet access, are suspicious of the government, or are highly mobile. According to the administration, approximately 613,700 Wisconsin residents lived in HTC areas during the 2010 census (217,100 lived in areas that did not receive a 2010 census questionnaire by mail, and 396,600 lived in areas where less than 75% of residents submitted the census questionnaire). The attached map shows 2010 census response rates by mail for each county.

7. The amount requested (\$1,000,000) is based on the administration's calculation that outreach to approximately 500,000 HTC residents would cost \$2 per person. Based on 2010 response rates and a cost of \$2 per person, outreach to residents in HTC areas is estimated to cost in the range of \$793,200 to \$1,227,400 in 2020 (to support outreach to between 396,600 and 613,700 residents). The administration indicates that it selected the midpoint of this estimation for its recommendation (\$1,000,000).

8. To assist with the 2020 census, the Census Bureau recommends that Wisconsin create a Complete Count Committee (CCC), comprised of tribal, state, and local governments and community leaders. The Committee would "utilize local knowledge, influence, and resources to educate communities and promote the census through locally based, targeted outreach efforts." Potential initiatives include: (a) establishing kiosks where residents can submit their responses online, located at post offices, schools, libraries, and recreation centers; (b) partnering with philanthropic and non-profit organizations to fund their efforts; (c) coordinating with volunteers to conduct outreach in targeted neighborhoods; and (d) partnering with social service agencies or caseworkers to establish a dialogue with their clients. According to the Census Bureau, CCCs have been established in 44 states to date.

9. Under the Governor's proposal, DIR would be responsible for: (a) establishing the CCC; (b) coordinating with the Census Bureau, local units of government, and other organizations; and (c) dispersing the funds for outreach to HTC populations.

10. The Committee could decide that establishing a CCC and providing state funds would assist the Census Bureau with accurately measuring the state's population, thereby maximizing federal funding to the state and helping ensure that each resident has equal representation in government. Further, creating an appropriation for census outreach would allow for a detailed accounting of expenditures. Therefore, the Committee could approve the Governor's recommendation to create a biennial appropriation for census outreach and to provide one-time funding of \$1,000,000 GPR in 2019-20. [Alternative 1]

11. The administration's calculation is based on a Fiscal Policy Institute study that provided three levels of outreach to HTC individuals to encourage census participation. Basic outreach, provided to 85% of HTC residents, cost an estimated \$2 per person and included public forums and educational materials distributed by community groups. Moderate outreach, provided to 10% of HTC residents, cost \$25 per person and included multiple discussions in group settings. Intense outreach,

provided to 5% of HTC residents, cost an estimated \$75 per person and included individual outreach to homeless residents, residents without Internet access, and other difficult to contact individuals. The Governor's recommendation is to provide only basic outreach to 100% of HTC residents. However, because residents do not participate in the census for a variety of reasons, it could be argued that outreach efforts should be targeted and budgeted accordingly. For example, outreach efforts in rural areas may differ in content and cost from those in urban areas because the geographical distribution of residents may require more individualized outreach in rural areas. If the Committee were to follow the Fiscal Policy Institute's guide to encourage maximum participation, one-time funding of \$4.9 million would be required. This is calculated in Table 2 below.

TABLE 2
Cost of Targeted Outreach to Wisconsin Residents,
2020 Decennial Census

<u>Type of Outreach</u>	<u>Number of HTC Residents</u>	<u>Cost of Outreach</u>
Basic	521,600	\$1,043,200
Moderate	61,400	1,535,000
Intense	<u>30,700</u>	<u>2,302,500</u>
Total	613,700	\$4,880,700

12. Given that providing different levels of outreach could result in greater participation compared to providing basic outreach to all HTC residents, the Committee could decide to provide one-time funding of \$1,933,500 GPR to provide basic outreach to 583,000 residents (at a cost of \$2 per person) and moderate outreach to 30,700 residents (at a cost of \$25 per person). [Alternative 2] Under this alternative, census spending per capita in Wisconsin would total \$0.33.

13. While the administration has provided information on potential activities, exact programming and allocations would be determined by DIR with the assistance of the CCC. In addition, any approved funds would need to be distributed early in 2019-20, given that outreach would occur prior to the 2020 census. Given the uncertainty of planned activities and the timeliness of census outreach, the Committee could modify the Governor's recommendation to provide one-time financing of \$500,000 GPR in 2019-20 and a reserve of \$500,000 GPR in the Joint Committee on Finance's supplemental appropriation. The Department could request the payment of reserved funds through a 14-day passive review process with the submission of further details on funding allocations. [Alternative 3]

14. In two of the three previous decennial censuses, the state provided a project position to assist with outreach. Further, census education is beyond the current responsibilities of DOA staff. The administration indicates, "it is unknown if the department would have sufficient capacity to take on additional work related to census activities" given current position authority.

15. While funding provided in the Governor's recommendation would allow DOA to employ a limited term employee (LTE) for census outreach, it could be argued that allocating a full-

time project position would provide oversight to ensure funds are allocated efficiently and effectively. Statutorily, LTEs are only allowed to work 1,040 hours per year. Therefore, the Committee could modify the proposal to provide: (a) 1.0 GPR project position for a two-year term under DIR; (b) \$38,500 GPR for salaries and fringe benefits in 2019-20; and (c) \$51,300 GPR for salaries and fringe benefits in 2020-21. The project position could assist with the establishment of the CCC, the development of activities, the review of expenditure proposals, and the monitoring of expenses. [Alternative 4]

16. It could, however, be argued that the federal government is responsible for accurately counting all Wisconsin residents without state support. Given that the state is not required to assist with the decennial census process, the Committee could take no action, thereby providing no expenditure or position authority for 2020 census outreach [Alternative 5]. This would be similar to the state's treatment of the 2010 decennial census.

ALTERNATIVES

1. Approve the Governor's recommendation to create a biennial GPR appropriation under DOA's supervision and management program for census activities and to provide one-time financing of \$1,000,000 GPR in 2019-20 for activities and preparation related to the 2020 decennial census. [This alternative may be selected in addition to Alternative 4.]

ALT 1	Change to	
	Base	Bill
GPR	\$1,000,000	\$0

2. Create a biennial GPR appropriation under DOA's supervision and management program for census activities. Modify the provision to provide one-time financing of \$1,933,500 GPR in 2019-20 for activities and preparation related to the 2020 decennial census. [This alternative may be selected in addition to Alternative 4.]

ALT 2	Change to	
	Base	Bill
GPR	\$1,933,500	\$1,933,500

3. Create a biennial GPR appropriation under DOA's supervision and management program for census activities. Modify the provision to provide one-time financing of \$500,000 GPR in 2019-20 and reserve \$500,000 GPR in the Joint Committee on Finance's supplemental appropriation for census outreach. The Department may request payment of the reserve through a 14-day passive review process. [This alternative may be selected in addition to Alternative 4.]

ALT 3	Change to	
	Base	Bill
GPR	\$1,000,000	\$0

4. Modify the provision to provide 1.0 GPR project position for a two-year term, \$38,500 GPR for salaries and fringe benefits in 2019-20, and \$51,300 GPR for salaries and fringe benefits in 2020-21. [This alternative may be selected in addition to Alternative 1, 2, or 3.]

ALT 4	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	\$89,800	1.00	\$89,800	1.00

5. Take no action.

ALT 5	Change to	
	Base	Bill
GPR	\$0	-\$1,000,000

Prepared by: Angela Miller
Attachment

ATTACHMENT

Response Rates by Mail 2010 Decennial Census

