

Opening Statement
Sen. Tom Coburn
Census in Peril: Getting the 2010 Decennial Back on Track
March 5, 2008

Good morning, I would like to start by first thanking Chairman Lieberman and Chairman Carper for holding this hearing today. I would also like to thank Secretary Gutierrez and Director Murdock for being here as well.

We are here today because the Census Bureau finds itself in the midst of a crisis. So serious is the crisis that if it is not dealt with immediately, it could threaten the integrity of the 2010 count. At issue is a \$600 million contract designed to create handheld computers for automating the way that census data is collected. Unfortunately, the contract has been managed so poorly that it might fail to produce fully functioning handheld computers, which could set off a chain reaction of events from which the Bureau might never recover. I hope that we can avoid such a worst-case scenario, but the question is: how? I hope that today's hearing will shed some light on that subject.

Most Americans are no doubt unaware of how much time and effort goes into planning for a census since it happens only every ten years. But, because a census is such a large undertaking, the decisions that are made in the years beforehand are those that have the biggest impact on how much it will cost and, most importantly, how well it will be done. The Census Bureau has now reached a point in which decisions that should have been made months ago – if not years ago – must be made over the next few weeks. These decisions will determine whether the census in 2010 can be rescued from the brink.

The problem that the Bureau faces is not mystery: many of the functions that it planned to automate using the handheld computers may now have to be done on paper. How we got here is also not a mystery: thousands of changes were made to the contract over the last two years, making it nearly impossible to know what the final product would be and when it needed to be completed – even IF it could be completed.

It should be noted that the problems with this contract seemed apparent to everyone except the Census Bureau. For years, the Government Accountability Office has warned that constantly adding new requirements to the contract could have disastrous effects. This committee, as well as our counterparts in the House, held hearings to discuss the growing problems associated with the handheld contract. Internal reports from the MITRE Corporation and the contractor itself, dating back to June 2007, warned that serious problems were on the horizon. Inexcusably, the warnings were largely ignored.

We now find ourselves facing a situation in which we might have to revert to conducting the census entirely by paper – no differently than it was done in the 19th Century. It is ironic that this hearing is happening in the middle of tax season, considering that electronic filings are hitting all-time high. Just this week, the IRS is reporting that of the 47 million returns that were filed as of the third week in February, 38 million were done electronically. If we can file tax data electronically – which is far more sensitive than census data – we should be able to collect census data electronically. Unfortunately, the likelihood of this seems low.

What is most important now, though, is what we do from this point forward to fulfill the constitutional mandate to count the population. The options are either to use the handhelds, revert to paper, or do something in between. As the Census Bureau, and ultimately the Secretary of Commerce, makes a final decision, I would like to outline four concerns I have.

First, I'm afraid that the timetable for decisions is unreasonably slow. Information we have received from the Secretary's office would push off final decisions until late this month or early April. Considering the problems have been well known by high-level Census Bureau executives since at least early January, taking three months to make decisions is too long.

Second, I'm concerned that technology could be abandoned too quickly in favor of reverting back to a paper census. Because paper seems like the comfortable choice for those at the Census who have always relied on it in the past, I know it may be tempting to think that the technology is the villain here. Technology is not the villain – only the poor management of technology. We need to look at what the technology can offer us. Huge investments of time and money have already been made into producing handheld computers, which might still be used. Decisions about whether to use paper or handheld computers need to be based on sound analysis and not simply be based on what is more comfortable.

Third, I'm extremely concerned that taxpayers might be unfairly stuck with an enormous bill to pay for the Census Bureau's mismanagement. While no one has given Congress any reliable figures on what the possible impact would be, I've been assured that the dollar amount could be significant. For years, the Census Bureau has estimated that the 2010 count will cost between \$11.3 billion and \$11.8 billion – I hope that the Secretary of Commerce will work to ensure that the cost does not increase beyond that, even with these trying circumstances. However, let me be perfectly clear - if costs go over that amount, taxpayers should not have to subsidize this mismanagement more than they already have. If more money is needed, I fully expect that the Department and the Bureau will work internally and with OMB to find offsets out of programs that already exist. This subcommittee has identified billions of dollars in wasteful programs over the years, and I will not support any request forces taxpayers to bail out the Census Bureau with an off-budget, emergency supplemental.

Finally, and most importantly, I am concerned that the 2010 Census may suffer significantly in the area of quality. The Constitution itself demands an accurate count as an essential element of our representative democracy. Allowing the quality of the count to diminish even slightly is unacceptable because of the impact it can have on those who deserve full representation. Every effort should be made to provide the American people full confidence in the apportionment process, which can only be accomplished by an accurate census count in 2010.

I again want to thank our witnesses for being here today and look forward to their testimony.