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Congress of the United States

House of Representatives

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October 11, 2007

The Honorable Carlos M. Gutierrez
Secretary of Commerce
U.S. Department of Commerce
Fourteenth Street and Constitution Avenue
Washington, DC 20230

Dear Mr. Gutierrez:

We are writing about the funding crisis facing the 2010 Decennial Census brought about by the Office of Management and Budget's (OMB) failure to request an exception from the flat line funding levels contained in the continuing resolution (CR) for fiscal year 2008, covering the budget until November 16th. The Census Bureau and Department of Commerce recently briefed the subcommittee staff on the ramifications of the OMB's action and the urgency of the matter.

As you know, OMB has requested and received several exceptions in previous CRs to flat line funding. As the Census Bureau ramps up to the 2010 Census, its annual appropriations will grow exponentially. Indeed, in fiscal year 2008, the Census Bureau will receive almost a 40% increase in funding. Despite an appeal by the Census Bureau and the Commerce Department for an exception for the Census, OMB refused to make the request.

You have the power under Section 203 to transfer approximately \$7 million in Department of Commerce funds to the Census Bureau to help alleviate the current Census Bureau spending gap of over \$50 million brought on by the continuing resolution.

We request that you immediately transfer the \$7 million to the Census Bureau. Even this modest amount of funds can help the Bureau maintain its operational schedule for Census 2010 and the 2008 Dress Rehearsal. Because of the CR, the Census Bureau's decennial preparation currently has a \$59 million dollar deficit. We believe that flat-line funding is already having serious and harmful effects on the fairness and accuracy of the next decennial census. For instance:

- The Census Bureau indicates that with the reduction in funding resulting from the existing continuing resolution, they will be forced to forgo parts of the vital Dress Rehearsal while delaying and limiting the scope of others. As a result, a test of group quarters in North Carolina involving the Fort Bragg Military Base will have to be eliminated from the Dress Rehearsal. This will deprive the Bureau of an opportunity to test its plans and make the requisite changes to ensure that our military personnel are accurately and fully counted.
- The contractors for the Field Data Collection Automation (FDCA) contract and the Decennial Response Integration (DRIS) contract have been given a limitation of funds notice which will result in a reduction of the pace of work on these two critical contracts. This slowdown, at this critical time, will directly impact the timing of the testing of data transmissions between these two systems that is critical to the 2010 census. In 2010 these two systems will be the core of the transmittal of information between the field and Bureau headquarters. If these systems cannot be tested soon, it will eliminate the opportunity to prevent duplication and redundancy in the nonresponse follow-up.
- Four of nine Regional Census Centers will not have the equipment necessary to provide assistance to state and local governments. As a result, state and local governments will not have technical assistance in completing the Local Update of Census Addresses (LUCA) program, in which local governments check the Census Bureau's master address files street-by-street for accuracy and advise the Bureau of inconsistencies. This program has been seriously delayed because of the CR.
- The Bureau has had to suspend funding of the Communications contract, which was awarded last month. The delay in start up will hamper the contractor's efforts to collect field data that is critical to devise and implement an effective marketing strategy to reach traditionally hard-to-count populations.

The Information Policy, Census and National Archives Subcommittee has held four hearings on the 2010 Census to date. At each hearing, government officials and witnesses from a broad-cross section of national and community based groups warned of the devastating effects a CR would have on the planning and execution of the re-engineered 2010 Census. The \$7 million transfer is needed immediately to assist the Census Bureau in its preparations for Census 2010. The Dress Rehearsal is the only dry run of the decennial count in a census-like environment. And, other important decennial activities are operating on a strict timeline.

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Due to this extremely urgent situation, the Subcommittee requests a response from your office by 5:00 p.m. on Friday, October, 12, 2007. If you have questions regarding this request, please contact Darryl Piggee, Staff Director/Counsel, at 202-226-0541, or Alissa Bonner, Professional Staff Member at 202-226-3507.

Sincerely,



Henry A. Waxman
Chair
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Committee



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