The Economic Impacts of the 2020 Census and Business Uses of Federal Data

Senate Joint Economic Committee

Written Testimony of Mallory Bateman, M.Sc.
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Chairman Lee, Vice Chair Maloney, and members of the Committee, thank you for the opportunity to testify today.

My name is Mallory Bateman. I am a Senior Research Analyst and the Utah State Data Center Coordinator at the University of Utah's Kem C. Gardner Policy Institute. The Gardner Institute develops and shares economic, demographic, and public policy research that helps people make INFORMED DECISIONS™. Our customers include business leaders, policymakers, community leaders, planners, researchers, non-profit leaders, and others in need of fact-based research that enriches our community and positively shapes Utah's future.

I am also a member of the Census Bureau's State Data Center Steering Committee, a member of Utah's Complete Count Committee, and chair of Utah's 2020 Census Technical Advisory Committee.

My testimony today comes from the perspective of a frequent user of Census and other federal data. I also regularly interact with and advise people who use decennial census and other federal statistical data to inform their decisions.

Utah's unique demographics and thriving economy provide a great example of how important the 2020 Census and other federal data are to the economic success of a state. In states with shifting demographics, decision makers cannot make wise and timely decisions to support and build flourishing communities without the decennial census and other federal data.

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Utah background

Utah's youthfulness, large households, racial and ethnic diversification, high rates of in-migration, and rural distress are just some of the many areas where Utah decision makers rely on the Census and other federal data to inform their decisions. Without this federal data, decision makers lack vital information, making it difficult to support a successful economy. I'd like to share a few details.

Utah's 3.16 million residents have distinct demographic characteristics. Utah has the youngest median age, largest average household size in the nation, and our population growth has been the fastest in the nation since 2010. The state is also rapidly diversifying racially, ethnically, and culturally.

Utah's strong job and broad industry growth attract new people to our state each year. In the past five years, we've added over 100,000 new residents as a result of net in-migration. Migration has become a more consistent and significant component of our population growth. Nearly half of the 1 million residents who helped our population reach 3 million by 2015 are those who moved to the state and their children.

New communities have also emerged since 2010. In some areas, this means completely new investments in infrastructure, public safety, education, housing, and businesses. These areas have no baseline, so the 2020 Census provides the first opportunity to learn about the population.

Some of our rural areas have experienced population losses since 2010. While we have limited data availability from the American Community Survey, these communities have small total populations. We need the 100 percent coverage provided by the 2020 Census to fully understand the demographics of these communities.

I share this detail about Utah's youthfulness, large households, racial and ethnic diversification, high rates of in-migration, and rural distress to make a point. The 2020 Census and other federal data are paramount to our state so we can understand the characteristics of new growth. Without it, we lack information about these new Utahns.

We need 2020 Census and other federal data to do the following[1]:

- Inform local business decisions
- Assist elected officials with tax, expenditure and regulatory decisions
- Help with transportation, water, education and other investment
- Serve as a basis for representative government (redistricting)
- Help with the allocation of federal funds

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Connection between 2020 Census and economic decision making

I'd now like to share my thoughts about the connection between the 2020 Census and economic decision making.

The Utah State Data Center regularly handles requests for demographic information from state and local government, media, real estate developers, academics, community organizers, and others, seeking to learn more about their communities or regions. The data provided help with decisions about programming, investments, business location, and future planning. These requests remind me on a regular basis of the connection between Census Bureau and other federal data and the Utah economy.

As chair of the Gardner Institute's 2020 Census Technical Advisory Committee, I have been surprised to meet decision makers who believe that decennial data are only used by and for government. I work closely with our statewide Complete Count Committee co-chairs to maintain a constant narrative that decennial census data provides the baseline for myriad datasets that inform business decisions across all industries and government funding at all levels.

The most straightforward way I have found to convey the pervasiveness and consequential influence of the decennial census is this: if a funding calculation utilizes a 'per capita' measure or a sampling window based on a total population, it is highly likely decennial census data is the denominator.

Our Director of Demographic Research, Dr. Pamela Perlich, likes to call our team 'the denominator people'. Decennial data is the baseline for the state and county-level population estimates and projections we produce. These projections are a direct input for education, healthcare, transportation, and infrastructure planning efforts, which then turn into significant investment at the state and local level.

Utahns recognize the importance of a complete count from the 2020 Census. Community leaders from nonprofits, community organizations, private industry, banking, and municipal government have partnered to urge state decision makers to support local outreach efforts this year.[2] Their logic emphasizes the importance to a diverse array of interests, from economic development to health and safety of Utah residents.

The Utah Legislature is considering a $1 million allocation to Utah's complete count efforts, the first funding for the decennial census in the state. Several county and city level governments have also recognized the significance of the 2020 Census and have dedicated funds to try and achieve a complete count. Our Utah State Library is establishing a grant program to help local libraries fund their census outreach efforts.

The work by Professor Reamer indicates that in FY2016, Utah received about $5.7 billion from 55 federal census-guided funding programs.[3] Calculations by the Utah Governor's Office of Management and Budget indicate this was around 27% of the state budget in that timeframe. These investments will pay for themselves quickly.

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Conclusion

In Utah, we rely on a complete count of everyone once, only once, and in the right place. We count on this updated framework once a decade. Our population is changing fast and information is key. We cannot make informed decisions that support our businesses, neighborhoods, and broader economy without this data. We want to inform decision makers across agencies, organizations, and industries on who their constituents and customers are, and plan appropriately in regions that may need additional assistance.

Thank you for holding this hearing and I look forward to a successful 2020 Census.

Endnotes

1   U.S. Census Bureau, 2020 Census Complete Count Commtitee Guide, Appendix A: 50 Ways Census Data Are Used.
2   "Utah must invest in the 2020 Census for an accurate count" C. Diehl D. Miller, L. Cramer, B. Crimm, Letter to the Editor, Salt Lake Tribune, March 10, 2019. Letter to Legislators, Organized by Salt Lake County, March 9, 2018.
3   Counting for Dollars 2020: The Role of the Decennial Census in the Geographic Distribution of Federal Funds, Report 5 – Utah, George Washington Institute of Public Policy.

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