



April 14, 2023

**House CJS Appropriations Subcommittee  
FY2024 Written Public Testimony for the Record  
From: Howard Fienberg, Senior VP Advocacy, Insights Association**

On behalf of the Insights Association (IA), the leading nonprofit trade association for the market research and data analytics industry, I am respectfully submitting testimony on the U.S. Census Bureau’s “Census Household Panel” program and the bill language and committee report language we are seeking. The program is funded through the Bureau’s Current Surveys and Programs account, under Current Demographic Statistics.

The Subcommittee may recognize the Census Household Panel as an insourced version of the Ask U.S. Panel, a controversial project on which Congressional appropriators required a report in the Fiscal Year (FY) 2023 omnibus funding law.<sup>1</sup> The project’s contract, justification and management were also recently criticized by the Commerce Department’s Inspector General (IG).

**About the Insights Association**

IA defends and promotes the indisputable role of insights in driving positive impacts on society and consumers. Our more than 7,200 company and individual members are the world’s leading producers of intelligence, analytics and insights defining the needs, attitudes and behaviors of consumers, organizations and their employees, students and citizens. With that essential understanding, leaders can make intelligent decisions and deploy strategies and tactics to build trust, inspire innovation, realize the full potential of individuals and teams, and successfully create and promote products, services and ideas.

**The IG Report**

The IG issued a final report on February 27, 2023<sup>2</sup> of the office’s investigation of the Ask U.S. Panel project, noting that “the Bureau’s management and oversight of the cooperative

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<sup>1</sup> “Ask U.S. Panel Survey.-The Census Bureau is directed to provide a report to the Committees, no later than 90 days following enactment of this act, on the Ask U.S. Panel Survey’s methodology, data collection processes, implementation, incurred and projected costs, procurement strategy, and plans to address any recommendations made by the Inspector General.” (p. 8) <https://www.appropriations.senate.gov/imo/media/doc/Division%20B%20-%20CJS%20Statement%20FY23.pdf>

<sup>2</sup> “The Census Bureau Can Improve Processes to Promote Transparency of Cooperative Agreements.” OIG-23-011-I.

agreement lacked transparency over key financial assistance award processes” and that the Bureau was providing significant taxpayer dollars to a private entity “without validating costs.” Most importantly, the IG found that the Census Bureau “did not document research or analysis conducted to determine whether the need for the Ask U.S. Panel could be met by existing commercial platforms or developed internally.”

As the IG finished its investigation, the Census Bureau disclosed that it would terminate the “cooperative agreement,” the contracting arrangement used to fund a private entity to build the online research panel. In the end, that panel “was not developed.” However, even as the Bureau’s attempt to build the panel via a private contractor came to an end, the IG discovered that the Census Bureau planned “to incorporate elements of the panel into studies the Bureau has underway” and that a new Bureau “panel would have some similar features to the Ask U.S. Panel but would differ in that it would be (1) built on Census systems, by Census staff, using Census data and (2) available on a cost-reimbursable basis for other federal government data collection efforts but would not serve nonprofit researchers.”

The insourced panel turns out to be what the Bureau now calls the Census Household Panel, for which it requested \$1.713 million in FY24.<sup>3</sup>

[https://www.oig.doc.gov/OIGPublications/\(REDACTED\)%20OIG-23-011-I%20\(REDACTED\).pdf](https://www.oig.doc.gov/OIGPublications/(REDACTED)%20OIG-23-011-I%20(REDACTED).pdf)

<sup>3</sup> “Census Household Panel (\$1,713, 10 FTE/14 Positions) The Census Bureau will enhance staffing to design, build, and maintain an online panel to support the timely and efficient collection of high-quality data for production and research purposes. This will be a probability-based nationally representative survey panel that leverages the Master Address File and population data from the American Community Survey, Current Population Survey, and other survey and non-survey data sources. The Panel will be a resource for supporting research and development work by speeding up and increasing the quality of methodological research associated with surveys. The benefits of a predominantly online longitudinal panel survey compared to a traditional survey is that a panel may provide faster turnaround and lower cost. The panel will be longitudinal, meaning that the same individuals will be surveyed over an extended time frame. A longitudinal panel allows for the examination of changes in household characteristics and analysis of how events impact households differently over time. The panel will consist of a pool of pre-recruited individuals, including historically undercounted populations, and will meet standards for transparent quality reporting of the Federal Statistical Agencies and the Office of Management and Budget. The panel will improve existing data collection and sources with a focus on gaps in coverage, ensuring that survey content is relevant and accessible to all respondents and yields representative outcomes. In this context, the Census Bureau considers the panel an essential tool for advancing data equity. The Census Bureau also intends for the panel to be used to conduct methodological research on privacy and confidentiality concerns across time, to test alternative contact timing and sequence, improve online questionnaires and procedures, reduce respondent burden, and ultimately increase the quality of data collected in censuses and surveys of the public.” (Pages 66-67)

<https://www.commerce.gov/sites/default/files/2023-03/Census-FY2024-Congressional-Budget-Submission.pdf>

P R O T E C T ◆ C O N N E C T ◆ I N F O R M ◆ P R O M O T E

IA's concerns, similar to those in FY23, include:

**1. Federal agencies can (and already do) purchase such services from the private sector**

Hundreds of insights companies and organization provide research panel services. Further, insights providers such as Dynata, Gallup, Ipsos, NORC at the University of Chicago, SSRS, the University of Southern California, and others maintain probability-based research panels (a specialized kind of panel which was the original goal of the Ask U.S. Panel project). Whether probability-based or not, insights providers offer these services commercially on the open market; absent justification to Congress of the uniqueness of their needs, the Census Bureau should acquire panel research services with full and open competitions. Private sector options would potentially cost a mere fraction of the Bureau's insourced program.

**2. The Panel is a potentially unnecessary financial burden on federal taxpayers**

It is hard to assess the veracity of the Census Bureau's fiscal plan for the Census Household Panel because so little detail has been revealed. Besides just the cost and expertise involved in establishing this presumably duplicative service, the Census Bureau appears to not have considered the immense expertise in data quality, incentive management and delivery, fraud detection, attrition mitigation and management, and privacy and permissions management required to successfully maintain a high-quality research panel.

Since 1955, federal agencies have been charged with avoiding "activities conducted by the Government that provide services or products for its own use which could be procured from private enterprise through ordinary business channels".<sup>4</sup> The policy required the head of an agency to make any exception to such restrictions "only where it is clearly demonstrated... that it is not in the public interest to procure such product or service from private enterprise." This policy was reiterated by every Administration following, including in OMB Circular A-76<sup>5</sup> and other policies specifically requiring competitive sourcing. According to the IG report, the Bureau provided no documentation of any such sourcing analysis.

**3. The Census Bureau should prioritize its core Constitutional mission**

The Bureau is responsible for many surveys, but none are more important than the decennial headcount and the ongoing American Community Survey (ACS), which are responsibilities authorized by the U.S. Constitution. As we begin the ramp-up to the 2030 Census and the ACS cries out for further investment to maintain its accuracy,<sup>6</sup> the Bureau should focus its energy and resources on responsibilities authorized in law and in its mission-critical functions.

<sup>4</sup> Bureau of the Budget Bulletin 55-4. January 15, 1955.

[https://www.governmentcompetition.org/wp-content/uploads/2018/11/Bureauof\\_the\\_Budget\\_Bulletin\\_55-4\\_January\\_15\\_1955.pdf](https://www.governmentcompetition.org/wp-content/uploads/2018/11/Bureauof_the_Budget_Bulletin_55-4_January_15_1955.pdf)

<sup>5</sup> <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A76/a076.pdf>

<sup>6</sup> "America's Essential Data at Risk: A Vision to Preserve and Enhance the American Community Survey." The Census Project. March 2022. <https://thecensusproject.org/acs-america-data-at-risk/>

In response to these concerns, IA has recommended bill language and report language in FY24.

**IA recommended FY24 CJS bill language:** *“No funds in this bill may be spent in support or development of the Census Household Panel or any similar effort to develop a survey, opinion or market research service that could be sourced from the private sector.”*

**IA recommended FY24 CJS report language:** *“Census Household Panel. The Committee is concerned about the lack of transparency related to the Census Bureau’s Census Household Panel program, particularly given the lack of congressional authorization, the expanding scope, and the Commerce Department IG’s February 2023 findings (OIG-23-011-1). The Committee is also concerned about the use of taxpayer dollars for the development of a panel survey given the wide range of options that currently exist in the private sector for these types of activities. The Committee directs the Census Bureau to provide a report to the Committee within 60 days about the panel’s methodology, data collection processes, implementation, incurred and projected costs, interagency agreements with other federal entities, and procurement strategy to allow the Committee to evaluate the panel’s use of federal resources.”*

### **Conclusion**

The bill language would require a thorough competitive sourcing analysis before the Bureau develops new services, while the report language will provide an opportunity for the Committee to ensure the Census Bureau and its projects remain transparent and used for their intended purposes.

The Insights Association dedicates much of our daily advocacy to supporting the decennial census and the American Community Survey (ACS), the two essential federal data sources underpinning statistical sampling/representativeness in almost all U.S. research studies, so we applaud the Census Bureau’s ongoing service as the leading source of the highest quality and most representative data for America’s people and economy. However, that does not mean that the Census Bureau is the only provider of information. We simply ask that the Bureau focus on its core authorized functions and do them well.

IA remains worried that the Census Bureau still intends to use taxpayer dollars, possibly from multiple agencies and funding sources, to develop a service that already exists in the private market. The Bureau’s attempt to fund a private entity to learn how to build a probability-based online research panel (the Ask U.S. Panel) failed, as we predicted it would, since it is a specialized area of expertise. Rather than wasting even more scarce federal resources by trying to insource the failed panel, the Census Bureau should save a ton of time and money by simply purchasing the service from one of the multiple existing insights providers instead of building the Census Household Panel program in-house from scratch.

Thank you for allowing IA to testify on the Census Household Panel program, an important under-the-radar issue in the FY24 CJS Appropriations legislation.