



Census Household Panel: The U.S. Census Bureau Competing with the Private Sector

The Census Bureau requested \$1.713 million in FY24 for the Census Household Panel, a program to develop its own online research panel, in-sourced from a failed project formerly known as the Ask U.S. Panel (on which Congressional appropriators demanded more transparency in FY23). That project was recently criticized by the Inspector General.

Position: The Census Bureau should use the competitive marketplace of available insights services to acquire pre-existing research services as-needed, which would save the Bureau time while saving the taxpayers a lot of money.

According to the Commerce Department's IG report (February 27, 2023) on the Ask U.S. Panel:

- The Bureau mismanaged the contract, providing significant money to a private entity "without validating costs."
- More importantly, the 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 Bureau cancelled the contract and said that the panel "was not developed." Even so, the Bureau announced it would in-source the project, as the Census Household Panel.

Federal agencies can (and already do) purchase such market research services from the private sector: Hundreds of insights companies and organizations 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.

An 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.

Government competing with the private sector: Since 1955, the federal government has been prohibited from providing "services or products for its own use which could be procured from private enterprise through ordinary business channels," reiterated regularly by every Administration since, including in OMB Circular A-76 requiring competitive sourcing. The Bureau ran no such competitive sourcing analysis. The Census Household Panel is instead an in-sourcing of a pre-existing widely-available commercial activity.

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), both authorized by the U.S. Constitution. Scarce resources should be focused on such authorized responsibilities, especially as the 2030 Census approaches while the ACS cries out for more investment.

Proposed CJS appropriations language for FY24: The Insights Association requested legislative language, such that, "*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 competitively-sourced from the private sector.*"

IA has also requested report language seeking transparency on the program, building on Congress' FY23 demands, "*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.*"

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

Insights Association | 1629 K Street NW, Suite 300 Washington, DC 20006 | Phone: 202-800-2545 | www.insightsassociation.org